

Total Expulsion of Ethnic Chinese Seen

Refugees Say Hanoi Deports Forcibly

By Linda Marheis
HONG KONG, July 9 — For the family of dentist Kooi Peih-kin, the midnight knock at the door came in March.

Outside stood a Vietnamese police lieutenant and a squad of policemen. They pushed their way into Mr. Kooi's house and the lieutenant announced, "All Chinese are now advised to leave Vietnam. They are not wanted here anymore. For the sake of security, we must have a Vietnam free of Chinese."

Last week, Mr. Kooi, 45, told the story of the odyssey that took him, his wife and their five children from the security of their Hanoi neighborhood — the family's home for four generations — to a makeshift refugee camp on the Hong Kong waterfront.

"The first time the police came, I didn't know whether to take their threat seriously," Mr. Kooi said. "But then they came once a week, and then once a day. It became clear there was no future for us or people like us in Vietnam. It was either leave or die."

"So we sold all our belongings, gave the police the money they demanded, and we left."

Systematic Fleeing

Mr. Kooi's account echoes the stories related by the hundreds of thousands of ethnic Chinese who have been forced out to sea by the Vietnamese authorities over the last year. There is a collective tale of forcible deportation from the land of their birth, after being systematic-

cally fleeced by Vietnamese officials of practically everything they owned.

No one — not the international relief organizations or Western intelligence operatives or the refugees themselves — knows how much of the gold collected from the boat people goes into the pockets of corrupt policemen and soldiers, and how much ends up in the hands of the government in Hanoi.

What seems certain, despite Vietnamese denials, is that the deportation policy has been carried out nationwide and that it has at least the tacit consent of the Communist Party hierarchy. Its ultimate aim appears to be to rid Vietnam of its entire ethnic Chinese population, which stood at about 1.8 million when the United States withdrew in 1975.

"There can no longer be any doubt that there is a well-organized refugee racket operating in Vietnam," said James Reid, director of a refugee camp here. "It may have originally been organized by private individuals, but now there is overwhelming official complicity," another relief official said. "This couldn't be happening without the blessing of the Vietnamese government."

U.S. officials say they have no firm evidence that the refugee trade is directed by Vietnamese ministries. But Charles Freeman, deputy U.S. coordinator for refugee affairs, said that Vietnam has set up a boat-building industry specifically to move ethnic Chinese out of the country.

Considerable light has been shed on Vietnam's role in the refugee trade by testimony given in the Hong Kong trial of the captain and crew of the freighter Huey Fong, one of the first big ships to ferry ethnic Chinese out of Vietnam. The defendants face up to four years in jail and \$3.5 million in fines for smuggling illegal immigrants into Hong Kong.

One of the organizers, Kwok Wah-leung, testified last week that he arranged the ship's departure at a government building in Ho Chi Minh City (formerly Saigon), where clerks routinely processed the passengers' exit forms and weighed the gold collected from them. The 3,518 passengers later boarded the freighter through a barbed-wire security area, where policemen checked off their names on an official manifest, Mr. Kwok said.

Other refugees say that anyone who tries to avoid this formal processing, and escape without paying the departure tax, does so at great peril. Last December, Vietnam's marine police reportedly sank a boat loaded with 220 refugees off the coast of Haiphong, then shot the survivors. The reason for the massacre? The boat had slipped out of Haiphong before paying off the authorities.

\$1 Million in Gold

Hong Kong police uncovered \$1 million in gold hidden in the engine room of the Huey Fong and estimated that it represented only a sixth of the gold paid by the passengers for their escape. By demanding gold worth up to \$3,500 from each refugee, Vietnam stands to earn nearly \$3 billion by the end of the year, according to a Hong Kong government spokesman, David Ford.

Refugees have overtaken coal as the leading export of Vietnam's threadbare economy, Mr. Ford said. The importance of the refugee trade to Vietnam's economy is apparent from the statistics. The April bank remittances from overseas Chinese to help their relatives met or represented more than half of the revenue from Vietnam's total exports for all of last year — \$416 million.

Money extorted from the refugees has apparently been used to pay for Soviet arms and machinery. An intelligence source here said that the Vietnamese last month made a down payment of \$100 million, in gold, to the Soviet Union for armaments and other supplies that are being pumped into Hanoi at the rate of \$3 million a day.

Racial Animosity

Vietnam's aversion, however, does not seem to be the primary motivation for the purge. The racial animosity between Vietnam and neighboring China has always made many Vietnamese suspicious of the ethnic Chinese spread throughout their country. For the xenophobic Vietnamese government, China's invasion this spring provided the final excuse to eliminate the Chinese minority.

Vietnam denies that it is trafficking in human lives. "There are quite a few people — the bourgeoisie, the capitalists, the landowners and some of the high officials of the former regime — who are the target of our policy," said Nguyen Trong Vinh, Hanoi's ambassador to China. "If these people want to go elsewhere, we cannot force them to stay. It is not within our capacity to completely control 2 million miles of coast."

Los Angeles Times



Demonstrators outside the Cafe Royal in London as the international whaling conference begins.

EEC Ban on Whale Products Sought

Halt to Whaling Is Proposed by Britain

LONDON, July 9 (AP) — Britain today proposed a world moratorium on commercial whaling and a ban on whale products by the European Common Market.

Alfred Buchanan-Smith, minister of state for agriculture, planted the

two-month-old Conservative government firmly in the anti-whaling camp.

The minister addressed the opening session of the International Whaling Commission's annual meeting at the Cafe Royal. At least

14 conservationist organizations opposing whaling are lobbying the conference, including the Greenpeace Foundation, Friends of the Earth and the Marine Action Center.

Banner-waving demonstrators in Regent Street chanted "Save the Whales" and inside John Denyer sang a song as the Japanese and Soviet delegates sat impassive and did not join the applause.

The commission of 22 whaling and nonwhaling countries, created in 1946, sets quotas of whale species to be killed.

Mr. Buchanan-Smith, bowing to increasing international demands by conservationists to stop killing whales, said that large-scale commercial whaling jeopardizes the survival of some species. "We owe it to future generations to ensure that stocks are not overexploited," he said.

The minister suggested no time limit for a ban on whaling, but Bertil Hagerhall, heading the Swedish delegation, proposed a 10-year moratorium, and the United States and Australia were expected to make similar demands later in the five-day conference.

Mr. Buchanan-Smith said that a moratorium would allow a thorough reassessment of whale numbers and their biology. "Resumption of whaling should only be reconsidered if evidence of recovery of stocks and improvements in the methods of killing justifies it," he said.

And in a criticism of the United States, he said that he lamented that "some governments which have thought or continued to think of their own political interests before the common good of the Nicaraguan people."

Finance Minister Resigns in Malta
VALLETTA, Malta, July 9 (Reuters) — Maltese Finance Minister Joseph Abela has resigned saying that he is "fed up," Prime Minister Dom Mintoff announced yesterday.

Mr. Abela has been minister of finance, customs and people's investments since Mr. Mintoff's Labor Party gained power in 1971. He also resigned his seat in Parliament.

Mr. Mintoff read Mr. Abela's letter of resignation to a meeting of the Malta Labor Party and the General Workers Union. Mr. Abela said the letter had been sent, his dream of Malta riding itself of military occupation came true and that he was seeking a more peaceful life.

Luxembourg Chooses Center-Right Coalition

LUXEMBOURG, July 9 (AP) — Christian Democrats and Liberals agreed today to form the next coalition government in Luxembourg, thus forcing the Socialists into opposition.

The future center-right government announced it had agreed on a platform and would settle the distribution of ministerial jobs tomorrow. The two parties won a combined 39 out of the 59 seats in parliament in elections June 10.

Some U.S. States Refusing to Permit Dumping Sites

predict that legislation giving governors veto power over waste-facility sites may become law within the next year.

Despite repeated assurances from government and industry that disposing of radioactive materials was not difficult, accidents and planning failures have occurred.

The radioactive waste problems technically difficult in themselves, have been made more so because the confident assurances of federal and industry officials resulted in relatively little research. From 1968 to 1977 the federal waste program totaled less than \$75 million a year.

A Look Back

An idea of the problem can be gained from examining early efforts to deal with nuclear wastes.

In March, 1943, more than 51,000 construction workers, engineers and scientists began building, in great secrecy, what ultimately became a string of nine nuclear reactors on the reservation on the Columbia River in Washington state.

The reactors transformed uranium fuel into plutonium, the basic ingredient of the atomic bomb dropped on Nagasaki on Aug. 9, 1945, and of many subsequent nuclear weapons.

In addition to turning out tens of thousands of pounds of weapons-grade plutonium, the reactors created more than 100 million gallons of highly radioactive liquid waste that was stored in single-walled carbon steel tanks.

The government initially predicted that the tanks would provide an effective barrier for decades, possibly as long as 500 years, but the first leak — 35,000 gallons — apparently occurred in 1958. The leaks continued, moreover, and by 1973 more than 400,000 gallons had seeped into the sandy soil of the Hanford reservation.

Criticized by such groups as the National Academy of Sciences, the Atomic Energy Commission began

Waste-Disposal Problem Slowing Nuclear Progress

By David Burnham

WASHINGTON, July 9 (NYT) — Every year, each of the atomic power plants in the world generates tens of thousands of cubic feet of potentially harmful radioactive waste, and as the amount grows so does the still unresolved problem of how to safely dispose of it.

The widespread public concern about the lack of a solution that has become a major barrier, three decades into the nuclear age, to the continued development of nuclear power in the United States and other countries. One result is increasing support in Congress this year of laws giving the states power to reject waste-disposal sites within their borders.

There are 233 commercial reactors operating around the globe and 323 under construction or on order. The wastes they generate must be isolated from man to varying degrees and for varying lengths of time.

But those wastes are just part of the growing inventory of radioactive materials. The production of nuclear weapons in the United States alone, for example, has resulted in the storage of more than 9 million cubic feet of wastes from spent fuel rods in South Carolina, Idaho and Washington.

Novel Problem

Never before have engineers and scientists been confronted with the problem of devising a tamper-proof method of isolating such large volumes of poisonous materials for thousands of years. While even the most severe critics of the industry acknowledge that a solution is technically possible, the continuing failure to arrive at a method has become one of the most important weapons of those opposed to nuclear energy.

Sen. Gary Hart, D-Colo., chairman of the subcommittee on nuclear regulation, said recently: "If the word 'scandal' can be attached to nuclear power, it is that this indus-

try has been permitted to expand for two and a half decades without an acceptable solution for waste disposal."

Some disagree with Sen. Hart. "The technology to operate first-generation geological repositories for nuclear waste in a safe and common-sense way is available now," J.E. Mendel told a Senate subcommittee recently. Mr. Mendel is an official with the Pacific Northwest Laboratory, a research organization that has spent millions of dollars studying waste disposal problems for the Energy Department.

One year ago, California stopped the construction of a reactor in the ground that an acceptable waste disposal method had not been demonstrated. Maine has approved legislation similar to the law under which California acted, according to an analysis by the Natural Resources Defense Council, a leading environmental group. And eight other states have laws restricting nuclear waste, with proposals pending in at least four states, the council said.

Court Challenge

The United States has gone to court to challenge the California action that halted the San Onofre reactor, arguing that the development of nuclear energy has been pre-empted by the federal government. The state contends that it is a zoning decision within its authority. The matter may be decided in the Supreme Court.

The waste-disposal issue has attracted congressional sponsors from the left who are opposed to nuclear energy, and sponsors from the right who are committed to states' rights. Among the sponsors of restrictive legislation are Rep. Jack Kemp, R-N.Y., a political conservative seeking the Republican presidential nomination, and Sen. George McGovern, D-S.D., a former presidential candidate.

Congressional staff members

Turk Bias at Issue

Greek-U.S. Ties Strained By NATO Re-Entry Ties

By Nicholas Gage

ATHENS, July 9 (NYT) — Greek and U.S. officials say here that relations between the two countries have deteriorated sharply in recent weeks since Washington announced support for a changed set of proposals on Greek re-entry into the military wing of NATO.

The Greeks feel that the revised proposals favor the Turkish position on command responsibility in the Aegean Sea. While day-to-day dealings are continuing at a normal level, negotiations between the two countries on major issues are at a standstill.

"The steady improvement in our relations from the low point of 1974 has stopped suddenly and we are sliding backward," said a high official in the Greek government, referring to the year when Turkey invaded Cyprus and Greece blamed Washington for allowing the invasion to happen.

U.S. Ambassador Robert McCloskey admitted that a problem exists but denied that the picture is so dark. U.S.-Greek relations are "better than they are perceived to be," he said. "We do continue to work in reciprocally productive ways that may not always be obvious," he said.

Political Pressure
On the NATO question that precipitated the chill in relations, Greek leaders do not share Mr. McCloskey's optimism. They see Washington's backing of the latest set of proposals, redrafted by Gen. Alexander Haig Jr. before he retired as NATO commander, as leaving little possibility for Greece to re-enter NATO on acceptable terms.

The Greek leaders feel that politically they cannot accept terms very different from those that Greece had when it withdrew from the alliance's military arm in 1974 after the Cyprus invasion. Popular disapproval of returning to NATO is still strong. The main opposition party, the Panhellenic Socialist Movement, led by Andreas Papandreu, doubled its vote in the last election with a platform calling for complete withdrawal from NATO and the closing of all U.S. bases here.

The United States and Turkey both say that Greece cannot expect to return to the alliance on the terms that it had before, although they give different reasons. The Turks say that the old terms gave command responsibility over the entire Aegean to Greece and were thus unfair to Turkey. U.S. diplomats say that a new arrangement is necessary because the command structure in NATO has changed, largely as a result of Greece's withdrawal from the alliance's military wing.

Last year Gen. Haig met the Greek chief of staff, Gen. Ioannis Davos, and worked out an initial arrangement for Greek re-entry that was acceptable to most of NATO, but not to Turkey. Premier Constantine Karamanlis has complained to visitors that instead of trying to persuade Turkey to fall in

line with the other members of the alliance, new proposals were offered to accommodate Ankara.

Greece, too, objected to the set of proposals, saying that it would give Turkey command airspace over islands belonging to Greece. Gen. Haig then worked the latest proposals, which re-negotiated the right of Greece and Turkey to command in their own air but gave defense responsibility to international space to a NATO commander from a third country.

Behind the airspace issue is effect that any arrangements have on continuing negotiations between Greece and Turkey to de-control of the Aegean. Greece does not want to see a precedent as the alliance that might strengthen Turkey's claims for wider control of the area.

The Greeks say that they dislike the revised plan, although have not rejected it formally, because there are so many Greek lands in the Aegean that it is impossible to avoid violating Greek airspace.

Administration Backing
Shortly before retiring on July 30, Gen. Haig took his new proposals to Washington, received the administration's endorsement of them. The State Department instructed Mr. McCloskey to inform Athens that the proposals represented the best arrangement for Greek re-entry into NATO could be obtained.

The Greeks saw the U.S. lag for the revised Haig proposal as part of a continuing tilt toward Turkish position, and they res by suspending negotiations with the United States on major arms and exchange agreements. All and Washington were close to signing an extension of the agreement which the United States have Voice of America transmits in Greece, for instance, but its fort was suspended at the last minute.

U.S. officials here said that the previous set of Haig proposals did reflect the Turkish position to considerable extent, but it was an effort to reach a compromise. The U.S. officials added that they encourage the Greeks to raise questions about the proposals with NATO.

The Greeks have sent 25 questions to alliance officials, mostly seeking guarantees against possibility of Turkish incursion into Greek airspace. "We have received full answers yet, but the arrival of NATO experts to discuss the proposals within high Greek official said. But preliminary responses we received are not encouraging."

Israel Charged With Harassing Soldiers of UN

Jerusalem, July 8 (Reuters) — The United Nations headquarters in Jerusalem today accused Israeli security forces of harassing and harassing UN soldiers, saying that in one case it was putting to the Israeli government.

It said in a statement: "headquarters in Jerusalem is increasingly concerned over a number of recent incidents in which UN military personnel have been unduly harassed and treated with hostility by the Israeli Army and police."

It said that it was protesting incident in which a Norwegian colonel of the UN peacekeeping force in southern Lebanon was harassed by Israeli soldiers at a town of Nahariya last Wednesday.

The statement said that Kjell Aarnes was treated in a humiliating manner after refusing to allow police to enter his home without a search warrant.

Commenting on the incident, Israeli police spokesman said: "Col. Aarnes had acted 'hysterically' when police asked him to leave his home."

Munich Gas Explosions

STOCKDORF, West Germany, July 9 (AP) — A truck loaded with gas canisters exploded on a street in this suburb of Munich today, injuring 20 persons.

Eight of the injured were hospitalized.

line with the other members of

alliance, new proposals were offered to accommodate Ankara.

Greece, too, objected to the set of proposals, saying that it would give Turkey command airspace over islands belonging to Greece. Gen. Haig then worked the latest proposals, which re-negotiated the right of Greece and Turkey to command in their own air but gave defense responsibility to international space to a NATO commander from a third country.

Behind the airspace issue is effect that any arrangements have on continuing negotiations between Greece and Turkey to de-control of the Aegean. Greece does not want to see a precedent as the alliance that might strengthen Turkey's claims for wider control of the area.

The Greeks say that they dislike the revised plan, although have not rejected it formally, because there are so many Greek lands in the Aegean that it is impossible to avoid violating Greek airspace.

Administration Backing
Shortly before retiring on July 30, Gen. Haig took his new proposals to Washington, received the administration's endorsement of them. The State Department instructed Mr. McCloskey to inform Athens that the proposals represented the best arrangement for Greek re-entry into NATO could be obtained.

The Greeks saw the U.S. lag for the revised Haig proposal as part of a continuing tilt toward Turkish position, and they res by suspending negotiations with the United States on major arms and exchange agreements. All and Washington were close to signing an extension of the agreement which the United States have Voice of America transmits in Greece, for instance, but its fort was suspended at the last minute.

U.S. officials here said that the previous set of Haig proposals did reflect the Turkish position to considerable extent, but it was an effort to reach a compromise. The U.S. officials added that they encourage the Greeks to raise questions about the proposals with NATO.

The Greeks have sent 25 questions to alliance officials, mostly seeking guarantees against possibility of Turkish incursion into Greek airspace. "We have received full answers yet, but the arrival of NATO experts to discuss the proposals within high Greek official said. But preliminary responses we received are not encouraging."

Greek-Turkish Talks
ATHENS, July 9 (AP) — Greek and Turkish Foreign Ministers, who today began a fourth round of official talks on seabed rights in the Aegean, airspace and other Greek-Turkish issues.

Israel Decides to Enforce 'Carless Day' Every Week

By William Claiborne

JERUSALEM, July 9 (WP) — Israel, surrounded by the world's biggest oil-producing states, but beset by rising energy consumption and the prospect of fuel shortages, is soon to introduce the "carless day" to help conserve energy.

Cars will have bright-colored stickers to signify the weekly non-driving day of the owner's choice. Critics of the scheme are already objecting that it favors orthodox faithful who do not travel on Saturday anyway.

The Energy Ministry and the Transport Ministry announced the measure jointly yesterday, after a warning from Finance Minister Simcha Ehrlich that "we can no longer pretend we live on an island when the rest of the world is in the midst of an energy upheaval."

Jackson 'Shocked'

During a visit here last week, U.S. Sen. Henry Jackson, D-Wash., is said to have told Energy Minister Yitzhak Mordechai he was shocked to learn that Israel had implemented no energy conservation policies.

The date of introduction of the "carless day" has yet to be announced. The experiment was tried during the 1973 energy crisis, but abandoned after four months and objections from the police, that they could not enforce it, and from public transport companies, that they could not cope with the extra passenger burden.

Israel does not have a fuel shortage now, since imports from Mexico and spot purchases elsewhere, coupled with guarantees made by the United States as a result of the Egyptian-Israeli peace treaty, have

filled the gap created by last year's cutoff of Iranian oil supplies.

Still, an Energy Ministry official recalled that "a consumption growing here by 8 percent a year. The point is not to cut consumption by 20 percent with car days. We know that is impossible. But if we can cut a little here and there, at least it will reduce rate of growth of consumption."

2 Houses in Lebanon Blown Up by Israelis

TEL AVIV, July 9 (AP) — An Israeli Army force entered southern Lebanon last night and blew up two houses used by Palestinian guerrillas, the military command announced today.

The command said that a patrol searching for guerrillas demolished the houses in the village of Qabricha, about 12 kilometers west of Kiryat Shmuna in Israel. It was the second time in four days that Israeli forces have crossed into southern Lebanon.

filled the gap created by last year's cutoff of Iranian oil supplies.

Still, an Energy Ministry official recalled that "a consumption growing here by 8 percent a year. The point is not to cut consumption by 20 percent with car days. We know that is impossible. But if we can cut a little here and there, at least it will reduce rate of growth of consumption."

Israel Charged With Harassing Soldiers of UN
Jerusalem, July 8 (Reuters) — The United Nations headquarters in Jerusalem today accused Israeli security forces of harassing and harassing UN soldiers, saying that in one case it was putting to the Israeli government.

It said in a statement: "headquarters in Jerusalem is increasingly concerned over a number of recent incidents in which UN military personnel have been unduly harassed and treated with hostility by the Israeli Army and police."

It said that it was protesting incident in which a Norwegian colonel of the UN peacekeeping force in southern Lebanon was harassed by Israeli soldiers at a town of Nahariya last Wednesday.

The statement said that Kjell Aarnes was treated in a humiliating manner after refusing to allow police to enter his home without a search warrant.

Commenting on the incident, Israeli police spokesman said: "Col. Aarnes had acted 'hysterically' when police asked him to leave his home."

Munich Gas Explosions
STOCKDORF, West Germany, July 9 (AP) — A truck loaded with gas canisters exploded on a street in this suburb of Munich today, injuring 20 persons.

Eight of the injured were hospitalized.

Original works of art are commonplace at grand hotels throughout Europe. And in Boston, at The Colonnade.



Only the Atlantic separates us from the other grand hotels.

For reservations call 800-223-6625 or Longa Reservations, Inc. A Distinguished Hotel represented by Robert F. Warner, Inc.

In Closed Session at Camp David

Porter Confers With Congress Leaders

James G. Thompson, Jr., director of the Carter administration's energy policy, is moving from a close-up look at the energy problem and an economy that is sliding into recession to a more distant view of the energy problem and an economy that is sliding into recession.

Strauss Brings Audacity Middle East Mediation

By Jim Hoagland

WASHINGTON, July 9 (AP) — Strauss, the Texas politician, is moving from a close-up look at the energy problem and an economy that is sliding into recession to a more distant view of the energy problem and an economy that is sliding into recession.

Camp David meeting that Mr. Carter did not say when he would unveil a new energy program.

But he said that the participants had reached a consensus that there is a very serious energy problem, that there needs to be a well-ordered program to deal with the problem.

Byrd said that the morning discussion touched on such things as authority for gasoline rationing, production of synthetic fuels and eliminating delays in licensing of energy facilities.

Sen. Ted Stevens, R-Alaska, described the meeting as a "frank and open discussion," and said the president requested that it be kept off the record.

Among others attending the meetings on energy and the economy were Sen. Henry Jackson, D-Wash., chairman of the Senate Energy Committee; Sen. Russell Long, D-La., chairman of the Senate Finance Committee and House Speaker Thomas O'Neill.

As the president entered his seventh day of seclusion, press secretary Jody Powell said that Mr. Carter's discussions with a wide range of Americans — from members of his Cabinet to governors, university presidents and senior labor leaders — had been "free-wheeling, remarkably candid and very productive."

Other sessions were likely to continue, the press secretary said, through Wednesday, with prominent political leaders, energy experts and others.

A tentative schedule for tomorrow was being set up, with people from outside government being invited to discuss the economy, Mr. Powell said, adding that meetings were also planned with "a group of people whose interest is in religion and ethics."

Meanwhile, Mr. Carter was to be given a series of options to end long gasoline lines, promote fuel conservation and cut reliance on imported oil.

Those options, the work of an interagency task force, are intended to serve as a basis for far-reaching presidential decisions.

Mr. Carter flew to Camp David last Tuesday. Without any advance public signals, he decided on Wednesday to cancel a major speech on energy that was planned for the next day.

On Thursday he began consulting with senior advisers and, by Friday, the talks had blossomed into a domestic summit conference that has darkened the White House offices of Mr. Carter's key aides as they confer with the president in the Maryland woods.

Following his "meeting," Mr. Schlesinger said that Mr. Carter probably would take several weeks to put together the energy speech he canceled.

"The main point is that enough time is going to be taken in order that the president feels comfortable with the decisions that he recommends," the energy secretary said in a television interview. "The very fact of viewing all of our domestic problems simultaneously in the light of history, in the light of the recent history of the United States with all of the malaise that has developed in this country, in the course of the last decade, will be useful in charting a new direction not only for energy, but for other issues as well."

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.

Mr. Strauss' record as a fund-raiser for Israel did not dispel Israeli fears of eventual U.S. pressure for concessions in the West Bank autonomy negotiations. The Israeli delegation at Alexandria missed objections to full and formal U.S. participation in the negotiations.



Vice President Mondale reaches to catch a pen tossed to him during a breakfast with governors in Louisville, Ky.

20 Democratic Governors Urge President Carter's Renomination

LOUISVILLE, Ky., July 9 (WP) — Twenty Democratic governors yesterday gave their endorsement to the renomination and reelection of President Carter, declaring he has been true to the principles of his party and deserves support.

Eight other Democratic governors — including probable challenger Edmund Brown Jr. of California — skipped the meeting and four who were present abstained from what one of them called a "White House-inspired move to 'hard us into a premature endorsement' of the embattled president."

They acted in a caucus two hours before Vice President Mondale told the opening session of the National Governors Association: "If we win this fight, we will win it together. If we lose this fight, we lose it together. There is no partisan profit in failure."

Mr. Mondale's rhetoric was seen as the opening gun in an administration effort to mobilize public and political support for the strong new energy program President Carter has promised at the end of his Camp David consultations.

Fallout of Gasoline Crisis Hits U.S. Shopping Malls

By Pamela G. Hollic

LOS ANGELES (NYT) — Before the spring gasoline crisis, the Lloyd Dennis family used to go to the sprawling 225-store Del Amo shopping center in Torrance once a week. "Now, we hardly go at all," said Mr. Dennis, an executive at the United California Bank here.

The reason is not just that the Del Amos have rediscovered the convenience of neighborhood shopping at nearby Riviera Village or the friendliness of small shops like Ocean Seafood, where they buy fresh fish from Bruce, the fisherman-owner.

"It's a wonderful thing to walk," Mr. Dennis said. "In California you can easily forget what it's like." The fallout of the gasoline crisis here and elsewhere has temporarily, perhaps permanently in the case of the Del Amos, altered U.S. ways of living. Few examples illustrate the change more dramatically than the shift in shopping patterns.

To avoid sitting in long gasoline lines, many citizens have cut out all but the most essential use of the automobile. The effect has been a shift to the use of nearby stores. Despite their generally higher prices and limited selection, the nearest stores on gasoline. So the nation's giant suburban malls, monuments to comfort-controlled consumption, have seen a marked slowdown in business.

The shift came suddenly. "It was as if on April 26, someone telephoned everybody and said, 'Stop buying,'" lamented Edward Gorman, chairman and chief executive officer of the 47-store Joseph Magnin chain, based in San Francisco. The reason is apparent, he said: "American life is stitched together by the automobile."

"We are definitely being affected here," said George Harder, assistant manager of the B. Altman store at Short Hills Mall in New Jersey.

When customers are not going to malls, they are frequenting convenience stores, neighborhood shops and shopping areas closer to home. It is a trend that energy-conscious shopping center developers have been anticipating. "There's been a shift in the concept," said Martin Bucksbaum, president of General Growth Properties of Des Moines. "The trend is to smaller but more convenient shopping centers."

John Fransen, vice president of marketing for Ernest Hahn, a shopping center developer in El Segundo, Calif., sees a similar trend extending to downtown redevelopment projects, designed to bring shoppers back to the city.

Americans are not expected to abandon shopping centers. Because of the convenience of one-stop buying, centers across the country will certainly recover, as those in California did after their spring crisis.

U.S. Strategic Force Starts Major Exercise

OFFUTT Air Force Base, Neb., July 9 (UPI) — The Strategic Air Command's largest and most comprehensive defense exercise in more than 20 years began last night at all SAC bases in the United States, a command spokesman said.

The weeklong operation, called Global Shield 79, is a practice for what SAC would do if the United States were under attack. The spokesman said that about 650 bomber, tanker, reconnaissance and command post aircraft are taking part in the exercise in which air and missile crews receive orders to execute simulated strikes against hypothetical enemy targets.

Pope, Schmidt Confer

VATICAN CITY, July 9 (AP) — Pope John Paul II met for more than an hour today with West German Chancellor Helmut Schmidt in the pontiff's private library. It was Mr. Schmidt's first meeting with the pope.

As Turmoil Rises, U.S. Fears Influence Of Cuba on Eastern Caribbean Islands

By John M. Gushko

WASHINGTON (WP) — They are specks on the map so tiny one almost needs a magnifying glass to find them. But the island states dotting the eastern Caribbean are the latest potentially worrisome trouble spots to the Carter administration.

Until now, events in that area have gone virtually unnoticed as attention focused on the other side of the Caribbean, where Nicaragua's bloody civil war has prompted a priority U.S. campaign to force out President Anastasio Somoza and prevent a takeover by leftist guerrillas sympathetic to Cuba.

Within the administration, though, there is growing concern that the turmoil rolling the eastern islands — minuscule former British dependencies pushed into independence despite severe economic problems — could create yet another arena of friction and competition between the United States and Cuba.

Grenada Coup

This concern goes back to the March 13 coup that overthrew the corrupt government of Grenada and put a self-proclaimed radical leftist regime in control of that tiny (population 106,000) republic.

Grenada's new government insists that it is neither Communist nor a Cuban satellite. But, in a move that sent tremors through the White House and State Department, it immediately turned to Havana for arms, military advisers and other aid.

The result was the dispatch of a U.S. envoy to deliver a protest, an angry Grenadian rejection of U.S. "interference" — and an immediate chill on relations between Washington and the island's militant young leaders.

Since then, an island-hopping ripple effect has inspired other leftist groups throughout the eastern Caribbean to engage in labor strikes, demonstrations and other forms of confrontation with government; labor strife in Dominica recently forced President Fred Degeza to leave the country.

The escalating unrest raises fears — both in Washington and in many of the Caribbean's larger countries — that what happened in Grenada could be repeated in Dominica (population 78,000), Antigua (70,000), St. Lucia (120,000) and St. Vincent (112,000).

Roots of Conflict

U.S. officials emphasize that there is no evidence of any Cuban hand in causing the Grenada coup or in encouraging the other islands' turmoil. Conflicts building up in these places, the officials are careful to point out, stem directly from indigenous poverty, overpopulation and social disparities.

But the officials also note that Cuba has a strong interest in extending its influence throughout the Caribbean and could hardly be expected to ignore any opportunities that might emerge from the current ferment.

The officials add that the administration's reawakened interest in the Caribbean has strong "containment of Cuba" overtones. But they add that the situation also

Klan Gathering Disrupted in U.S.

CHINA GROVE, N.C., July 9 (UPI) — About 60 protesters, most of them black, burned a Confederate flag yesterday outside a community building where Ku Klux Klan members met to watch the film "Birth of a Nation," depicting the early days of the Klan.

There were no confrontations or violence as law enforcement officers kept the protesters and Klansmen separated.

The group dispersed after burning the flag, while the 50 to 60 Klansmen who had brought it to the meeting went inside the building to watch the film, police said.

has a more far-reaching effect — redirecting Washington's attention to the stability and well-being of an area sometimes called "America's third border."

In talking about the region, U.S. policy-makers mean not just the string of islands stretching 2,000 miles through the Caribbean Sea between the Bahamas and Trinidad, but a Caribbean basin that includes Mexico, Central America and northern South America.

Notorious Corruption

In addition to its obvious strategic relationship to the Panama Canal and international shipping routes, the region is an important center of trade and investment, providing, among other things, two-thirds of the bauxite required by the U.S. aluminum industry and refining 25 percent of the oil entering the United States.

The area's high unemployment — 30 to 50 percent — has made it second only to Mexico as a source of illegal aliens in the United States. It also is the route across which most illegal narcotics enter the eastern half of the United States.

Most of the tiny, newly independent islands among the English-speaking countries have been run for years by self-perpetuating political machines whose leaders have used a thin veneer of constitutionality to mask widespread repression and corruption. The most notorious was that of Sir Eric Gairy, the prime minister of Grenada who was ousted by the New Jewel Movement of the new leader, Maurice Bishop.

In the long run, U.S. officials believe the only hope of easing the region's chronic economic instability rests in prodding the polyglot collection of former British, Spanish, French and Dutch possessions to overcome their cultural barriers and pull together in greatly accelerated regional cooperation schemes.

To encourage this, the administration plans greater emphasis on the Caribbean Group for Cooperation in Economic Development. Formed at the initiative of the United States and the international lending agencies, this umbrella organization coordinates aid and induces aid-giving countries to be more active in the Caribbean. The organization's pledges for its coming year are expected to total \$276 million. U.S. officials are encouraged that the figure is much greater than this year's \$186 million and includes pledges from several new donor countries.

Independent Truckers End Monthlong Strike in U.S.

NEW YORK, July 9 (UPI) — Independent truckers were back on the roads in full force today, the month-old strike ended by mass defections in their ranks.

Many participants in the strike that had threatened to disrupt U.S. Jovian Red Spot Grows Lighter, Voyager Reveals

PASADENA, Calif., July 9 (AP) — Voyager-2 passed within 132,070 miles of Jupiter's icy moon Callisto yesterday, revealing that several changes have taken place in the Jovian system since the Voyager-1 exploration last March.

Scientists at the Jet Propulsion Laboratory here said that new information relayed by Voyager-2 show the band on Jupiter containing the giant red spot is becoming lighter, suggesting atmospheric material such as high-altitude clouds may be increasing on the planet.

Dr. Brad Smith, television team leader in the space probe, said that the new evidence contrasts with pictures of Jupiter sent by Voyager-1, which showed the band as a more complex mix of reddish and light colors. He said that the increase in the white area, which was detected east of the red spot, is similar to colors recorded by Pioneer-10 in 1974.

The pictures from Voyager-22, which was about 576 million miles from Earth and traveling at 30,000 mph, also indicated that the ring around Jupiter is probably quite narrow, more like the ring around Uranus than that around Saturn.

U.S. Forest Fire Tamed

PHOENIX, Ariz., July 9 (AP) — A fire that burned an estimated \$100,000 worth of timber in the Coconino National Forest in Arizona was brought under control yesterday, fire officials said.

We welcome export orders

GEORG JENSEN
239, Rue Saint-Honore Paris
Telephone 260 67-89

4 WEEKS TO A NEW LANGUAGE.

BERLITZ
TOTAL IMMERSION CENTERS
Berlin, Düsseldorf, Frankfurt, Hamburg, Munich, Vienna, Zurich, Brussels, Geneva, Cannes, Lyons, Paris, Madrid, Barcelona, London, Majorca, Stockholm, Copenhagen, Rotterdam, London.

At Berlitz, our exclusive Total Immersion program puts you in command of a new language in just two to six weeks. Call today for an appointment. You'll be speaking a new language faster than you ever thought possible.

BERLITZ: LANGUAGE TAILOR-MADE.

STOP!
BEST TAX-FREE
PORT PRICES!
FREE SAMPLES
ICHEL
SWISS
RUE DE LA PAIX
PARIS
2nd Floor, Elevator
PERFUMES • COSMETICS
AGS • SCARVES • TIES
FASHION ACCESSORIES
Phone: 261.17.71

Regine's Against the Palace

The Paris Disco War: Two Lifestyles Clash by Night

By Hebe Dorsey

CABOURG, France, July 9 (IHT) — With the opening of an offshoot of the Palace in Cabourg last weekend and the prospects of still another in Los Angeles this fall, the disco war is on in Paris.

On one side is Regine and Regine's; on the other, Fabrice Emaer and the Palace.

Each stands for a different disco style: At Regine's, it's the Dom Perignon crowd, an international gaggle of celebrities around plush, gold lame banquettes with waiters to match. At the Palace, it's wall-to-wall bodies in a wild melee, all trying to vent their daily frustrations through freaky dress and even freakier behavior. The music, good and loud disco, is about the same at both spots but seems a bit louder at the Palace, where it is accompanied with laser beams.

Regine's, expensive, elitist and proud of it, is a success with 15 discos (branches in London and New York) in 10 countries. Regine seems to be everywhere at the same time.

But the Palace is getting there.

Robbers Take \$2 Million From Bank in Oviedo

From Agency Dispatches

OVIEDO, Spain, July 9 — An armed gang numbering at least 12 persons today took an estimated \$2 million from a private bank in this northwestern province capital, in the biggest bank robbery in Spanish history.

Members of the gang had overpowered the manager of the private Herrero bank and his family at home and held them overnight, police said. They forced him to let them into the bank when it opened today.

Witnesses spoke of as many as 14 robbers, some of them masked. The robbers were said to have Basque accents and to include a woman. Two cars abandoned after use in the robbery had been stolen in Bilbao by presumed Basque guerrillas.

The Basque separatist organization ETA has been blamed for a number of bank and payroll robberies in recent years.



Regine with Fabrice Emaer in friendlier days at his Palace disco.

Since it opened last year, it has had great impact on Paris night life and has drawn thousands to rue Montmartre, an unchic section of the city. Unlike Regine's, which is strictly a plush boîte, the Palace is a theater, dating from the '20s, which has been restored to impeccable period condition (to the tune of \$1 million.) In between dancing, Emaer has concerts, wild costume parties, fashion shows — in short, he keeps it moving.

"Mean and Caty"

The dent that Emaer is making on Paris night life has no doubt irritated Regine who is too much of a pro not to take notice. She was a good sport at first, even going to the Palace for private parties until Emaer told Paris-Match magazine that his disco was frequented by the children of Regine's customers. That did it. Regine, a formidable woman, is hitting back. "I like

Swissair to Suspend Flights to Lebanon

ZURICH, July 9 (UPI) — Swissair said today that it is suspending its flights to Beirut because of a decline in passenger traffic because of the fighting in Lebanon.

The Swiss national airline said also that it is becoming increasingly difficult to guarantee flight security because of the conflict. The suspension will be indefinite.

Obituary

Cornelia Otis Skinner, Actress and Writer

NEW YORK, July 9 (AP) — Cornelia Otis Skinner, 80, the actress and writer who was a co-author of "Our Hearts Were Young and Gay," died today at her home on Manhattan's East Side. She had been ill for the past year.

The daughter of actor Otis Skinner, she found her vocation in the theater early and toured the country giving monologues as well as appearing in plays, some of which she wrote herself.

In her writing, Miss Skinner specialized in chronicling the misadventures that she swore constantly befell her and made them the subject of witty pieces of satire.

Wrote on Tours

Whenever she was struck with such an observation, she wrote a short magazine piece and every few years her publishers would assemble these pieces, hire a cartoonist to do illustrations and put out a book.

She said that she did most of her writing on trains and in hotels during her theatrical tours.



Cornelia Otis Skinner

the worse the hotel, the more I get done," she said. "I love the tours, really, and like the chance to get off by myself. For one thing, I get a chance to do some reading."

On Broadway, she starred in many plays including "Candida," "Major Barbara" and "Lady Windemere's Fan."

Her books included "Soap Behind the Ears," "Our Hearts Were Young and Gay," written with Emily Kimbrough, "Family Circle," "The Ape in Me," "Madame Sarah," and most recently "Life with Lindsay and Crouse," published in 1976.

She was born in Chicago and went to Bryn Mawr College. Later she studied at the Sorbonne in Paris.

Her first professional theatrical experience was an appearance in her father's production, "Blood and Sand."

"He came to me after our first night, and made only one remark: 'My child, you are an actress,'" she later recalled.

Arizona Plane Crash Leaves 3 Dead, 1 Hurt

CASA GRANDE, Ariz., July 9 (AP) — Three persons died and a fourth was severely burned when a C-119 "Flying Boxcar" crashed last night into a central Arizona farming area, the Pinal County Sheriff's Department said.

The crash occurred four miles west of Casa Grande. Investigators said that they were trying to determine the identities of the plane's four occupants. The origin and destination of the C-119 were unknown, they said.

AUTHORS WANTED BY N.Y. PUBLISHER

Leading literary book publisher seeks manuscripts of all types: fiction, non-fiction, poetry and religious works, etc. New authors welcome. Send for free booklet to: N.Y. Publisher, P.O. Box 100, New York, N.Y. 10001, U.S.A.

ow outfit. Other designers included king-of-mad-fashions Kenzo, in a totally sober outfit. Tan Giudicelli, with no luggage except for two toothbrushes in his breast pocket ("just in case"), and up-and-coming Chantal Thomas, who'd had the weird idea of wrapping herself with blue and silver lifelines. Helmut Berger was escorting pretty Cleo Goldsmith, whose black T-shirt announced: "Look out. Here comes trouble."

Then you had all the freaks, many of whom are reportedly on the payroll. Among them, a girl who was totally naked under red tulle and black net stockings. Many of the boys were wearing makeup and multicolored sequined eyelids.

The word had obviously spread because there was quite a crowd at Gare St. Lazare on the flowered quay, but that was nothing compared to what happened in Cabourg, a quiet, turn-of-the-century resort, made famous by Frost.

There, hundreds of people who had come with their children pressed their faces against the fence and were torn between shock ("Oh! My God, they're all gay") and anger. Local workers on strike protested the extravagance of it all while shouting "Gasp!" (the French government's newly coined word for waste).

Nevertheless, the guests made it to the new Palace, a former theater adjoining Cabourg's Grand Hotel, and soon caught up with the local frenzy — with 5,000 people where 2,000 would have been jammed. To see it was not to believe it, and the next day, the story was even clearer.

Empty vodka bottles were found in the hydrangea planters, bottles were strewn up and down the beach and people were going around with sunglasses — even though the sun hardly shone.

Fabrice, who claimed he had a poor childhood, has further visions of glory. He wants Hollywood, not just, and his former glamour. He is heading in the right direction.

Aboard the train, there was a small group having the time of their lives. They were Fabrice's new American partners in his Los Angeles venture, Dennis and Beverly Little, Frank Mulvey and Robert Ross. Little, who is in the record business ("we design album covers"), said they are going to take over the Hollywood Palace theater, all seven floors and 50,000 square feet, plus a two-acre parking lot, and turn it into a disco.

With boutiques and a hairdressing salon (managed by Hugh Hefner, who designed Farrah Fawcett-Majors' hairdo).

The Americans, who said they love Fabrice and will try to bring his style to Hollywood, are going all out for it. For the launching of their new Palace, they will bring over Parisians on a specially chartered 747 equipped with, you guessed it, a superdisco.

Refugee Flight From Indochina Arrives in U.S.

SAN FRANCISCO, July 9 (UPI) — A chartered flight of Indochinese refugees — most of whom have been without a country for three years — arrived in the United States yesterday.

The 189 adults and 10 children arrived at Travis Air Force Base with few possessions except pots, pans and sleeping mats, a spokesman for the International Rescue Committee said.

They included 89 Laotians, 54 Cambodians, 53 Vietnamese and three Laotian-Vietnamese. All of them were airlifted from overcrowded camps in Thailand and Malaysia.

The Cambodians were among 40,000 refugees that the Thai government had ordered repatriated last month, but were saved a few days before the expulsion by being selected for resettlement in the United States.

Harvey Stinson of the Immigration Service Office said that about half the refugees who arrived yesterday would remain in San Francisco. According to one estimate, there are more than 20,000 refugees in the San Francisco area.

30 Killed in India Riots

NEW DELHI, July 9 (Reuters) — At least 30 persons were killed and about 100 injured in Hindu-Muslim riots in India's northeastern district of Punjab last week, an opposition leader said.



Reed twins at 22 as a song-and-dance team; today at their California home.

California Twins Still 'Shake a Leg' at 94

By Charles Hillinger

LEMOORE, Calif. — In the midst of one of their old Ziegfeld Follies routines, the two girls kicked up their heels and laughed uproariously.

"We're a little rusty but we can still shake a leg," said Eloise Reed.

At 94, she and her sister, Genevieve, one of the oldest pairs of twins in the nation, agree that the one thing that has kept them going is their sense of humor.

"We laugh a lot and always have a good time. We're not hypochondriacs," said Eloise to a visitor to their home in this small central California farm town.

Born in Salem, Ore., the twins were 22 when they began their career as a song-and-dance team in 1907. They appeared in the Follies, on stage and in silent films for the next 15 years.

"We sang and danced our way across America in musical comedies, repertory companies and in vaudeville. And we played in pictures," Genevieve said.

Stacks of yellowed news clippings, scores of

publicity photos and old programs remind them of their younger years.

"A lot of rich guys dated us. Some were millionaires. We had a good time," Eloise recalled.

They both married after leaving show business. Eloise was divorced. Genevieve is a widow. They moved back together 20 years ago and now use their maiden name.

"Remember when we sailed to Cuba and played that theater in Havana?" Genevieve asked her sister.

"It wasn't any fun," Eloise said. "I worried to death about you. You missed the boat and I sailed back to New York without you."

"It was fun for me," Genevieve winked. "I had a boyfriend in Cuba. He made me miss the boat."

They played lead roles in silent films such as "The Last of the Mohicans" and "The Alaskan."

Clippings in their scrapbooks tell of the Reed twins entertaining troops during World War I. Their memories of their show business

years are as vivid as if they occurred last instead of more than a half century ago.

They do stay at home more these days. "We have been sticks-in-the-mud ever since Genevieve ran the stoplight," Eloise said.

"I made a slight error," the other explained. "I was driving over on a month's ago and was momentarily distracted I forgot to stop for a red light. Thank God I didn't hit anyone."

"But there was a cop at the corner's time. They took my driver's license. Ever since, a friend has been coming to house once a week to take us to shopping."

The twins confess to having vices. "We each smoke three cigarettes a day," Genevieve said. "It's too late to quit now."

"We have a shot of whisky once a week with a friend who comes to visit," Eloise said.

"They read a lot, watch the soaps on TV still enjoy attention from a man."

When a photographer begged Eloise, left, Genevieve jumped out of her chair, sang out: "Next!"

Jazz

Nice Is 'Grande Parade' of Balloons, Blues, Bebop

By Michael Zwerin

NICE, July 9 (IHT) — The sixth annual Grande Parade du Jazz is a flurry of cotton candy, T-shirts, soul food, silver balloons, blues and bebop.

Three bands are occupied simultaneously and the sound system often clatters, hearing B.B. King and Lionel Hampton compete, a musician mumbled: "The old vs. the old."

The absence of post-Coltrane music is due neither to prejudice nor accident. George Wein, the

impresario, knows his audience. "I noticed a few years back that mainstream jazz was being smothered; by mainstream, I include bebop," he said.

Aging but Lively

"The younger critics were jumping on the new music bandwagon. The critics who are influenced by the record industry, if you know what I mean by influenced, were only interested in fusion music. No media attention was paid to mainstream. I felt there was a public for a festival featuring this music."

Jazz used to be considered a young person's art. This is no longer true. Although the average age of the performers here must be around 50, much of the playing is strikingly lively.

Budd Johnson, a 68-year-old saxophonist, sounded like a youngster with the New Jazz Repertory Company. Britt Woodman, with Duke Ellington for years, is a highly underrated trombonist. James Moody, a flutist-tenorman, has been living in Las Vegas for the past few years and the word that comes to mind in hearing him is "hungry." Jimmy Rowles remains one of the most imaginative pianists around.

It is a maxim that you are only as

good as your rhythm section, and Stan Getz has always understood that. He's come up with another strong young bass-and-drum team with John Burr and Victor Jones.

There are other notable young players: Dave Brubeck's son Christopher on bass guitar; Chubby Jackson's son Duffy, who will join Count Basie next month, on drums; and the young sidemen in Woody Herman's fine band.

Some of the youngsters seemed thrilled to be meeting the veterans for the first time. "Oh, is that Arnie Lawrence?" one exclaimed. "I thought he was older."

Over-sized Picnic

The Nice festival is like an oversized picnic, including grandmothers, babies and dogs, and one could not ask for a better picnic ground than the Cimiez Garden. It is so good that it has given rise to competition.

The Maison des Jeunes et de la Culture Nice Gorbella is running a sort of "off-Nice" festival featuring the more avant garde sounds of Sam Rivers, Archie Shepp, and Dave Burrell. Wein, describing it as wonderful, said: "In my experience I've found that the more action there is, the better it is for everybody."

There are complaints of the sound system needs. We heard an entire set. The electric bands are way too loud. John Lewis was drowned. Lionel Hampton's old w "Flying Home" floating over another bandstand.

There is, in fact, an excess of warblers. Woody Herman, Lionel Hampton play the sax that they have been playing for years. Catering to such a common denominator leaves a frustrated taste.

As one sideman put it: "This reminds me of my ex-lover, each other once and friendly now, but she's not to my present life."

The Grande Parade du Jazz captures something that has to get lost lately: fun. Jazz is cal music to a large degree physically if not intellectually flourishing in Nice.

The festival will continue through Sunday; by the end of the 11-day event, about 120,000 visitors will have heard the 25 musicians scheduled. Tickets: 10 francs for adults, 10 francs for children, and the music runs 1 p.m. to midnight.

Restoration

Burma Saves Some Temples at Pagan

By James P. Sterba

PAGAN, Burma (NYT) — From the 11th through the 13th centuries, so many trees were cut to fuel kilns to dry bricks for temples and pagodas in this region that the climate changed, Burmese scientists say.

Annual rainfall decreased. The monsoon season came later and ended earlier. It was bad for agriculture but good for ruins, especially those made of brick.

But on July 8, 1975, an earthquake humbled Pagan's royal city of brick, jostling temple spires, cracking pagoda walls and crumbling giant Buddha images. In all, about 80 percent of the structures here were damaged by the earthquake. Five collapsed completely.

The Bupaya pagoda, on the Irrawaddy river's edge, fell into the water. It has been completely rebuilt. Others, however, remain untouched by repair crews, their cracks widening by the year.

Pagan (pronounced pa-GAHN) and not the origin of the common noun equals in artistry and size, if not in structural soundness, the ruins of its Cambodian sister city, Angkor, which was built largely of quarried stone. The Pagan dynasty lasted from the 11th century to the end of the 13th, ruling over what proved to be Burma's Golden Age.

Mongol invaders in 1287 brought the period to an end when they sacked the city of Pagan.

With Angkor inaccessible because of the turmoil in Cambodia, Pagan is Southeast Asia's main archaeological attraction. But the Burmese government has done little to attract tourists and even less to discover its secrets. "There are mounds all over here that we have not touched," said a scholar.

Efforts by Nelson Rockefeller, for example, to set up an international fund in Paris to preserve Pagan were rebuffed by Burmese leaders, Gen. Ne Win.

For the tour guides and residents of Pagan, there is a sad sadness in the decline of smaller pagodas not chosen for reconstruction by the government. The 11th-century Thilashin pagoda, for example, remains the site of worship for the people of Pagan, in one section of Pagan since the earthquake, it is a mound of bricks, not a significant enough for government reconstruction. Villagers before a Buddha image in an altar, straw hat, praying for \$6,000 to put the bricks back together.

"We have been hoping for tourists, but this is a small temple nobody seems interested in," a villager said.

A monk named Zaw Tika, the Burmese countryside, said money to rebuild the Suta pagoda. He was recently for lay off six workers for 10 funds. He sleeps in the pagoda and prays for money about \$3,000 — needed to



New York Times

O.J. PERRIN

Jewellers

VACHERON CONSTANTIN

63, rue du Rhin - Genève

PARIS RESTAURANT GUIDE

RIGHT BANK

- LE CONGRES** Porte Maillot, 80 Ave. de la Gde-Armée, 574.17.24. Every day until 2 a.m. Choice meats, Sea food. Air-conditioned.
- EL MARIACHI** 56 Rue Galvée, 720.41.69. Dinner, supper, short orders. Mexican orchestra. Closed Sunday.
- L'ECLUSE** 5 Rue Leclerc (17th), Res. 387.29.91. Traditional French cooking. Fish and shellfish. Closed Sunday.
- GOLDENBERG JO** 7 Rue des Bateliers, 278.29.09. Daily. Lunch, Sandwiches, pastries, salami, salmon, chopped liver, etc. Open till 1 a.m.
- L'ESTOURNEL** 1 Rue Léa Dalbès, 88 Ave. Kléber, 553.10.79. Closed Sat., Sun. Luxurious setting, quiet atmosphere. First-class traditional cuisine.
- MERE CATHERINE** 9 Place du Tertre, 606.32.69. Traditional cuisine. Dinner with music. Terrace on the square and garden.
- PORTE ST-CLOUD** 227 Ave. de Versailles, 451.51.88. Regional specialties, comfort de cordon from Périgord, oag au vit. Room on 2nd floor.
- RASPOUTINE** 58 Rue Bossuet, Every day from 9 p.m. until dawn. 50 artists and musicians. 720.04.31 and 08.38.
- ST-JEAN-PIED-DE-PORT** 123 Av. Wagram, 227.61.50. Closed Sun., Menu: 1st. 90 service incl. Service till 11 p.m. Lobster à la crème. Grilled fresh salmon with béarnaise sauce. Poilée with crayfish, raspberry soufflé.

PARIS RESTAURANT GUIDE is a new rubric on "restaurants" open to advertising. For information, contact: Publicité ARONOFF. Telephone: Paris 266.57.57.

LE TOURTOUR

20 Rue Quincampoix (4th). Everyday. 587.82.48. Parking Centre Pompidou. Lunch, dinner, supper in an authentic XVIII cent. setting. Excellent menu at Fr. 48.20, service included + 6 fr. car.

LEFT BANK

- ALCAZAR** 62 Rue Cassini, Dinner at 9 p.m. Show at 11 p.m. Reservations from 11 a.m. to 11 p.m. Closed Sunday.
- CIEL DE PARIS** 10 Rue Montmartre, 56th floor 536.52.35. Everyday. Air-conditioned. Full of saumon à l'indienne, Canard au citron, Charlotte à l'orange, "Coupé Ciel de Paris".
- LES 9 EPIS** 18 R. Meyer, 734.91.61. Closed Sunday and Saturday noon. AMER. 20000. Moderate prices. International dishes from the Southwest.
- FEU FOLLET** A typical Parisian bistro. Menu Fr. 40 including wine and service. 5 Rue Raymond-Lasserdre, 222.63.72. Closed Monday. Open Fr. corner.
- LA GUEULARIERE** 44 Rue de la Montagne-St-Genevieve (5th), 033.41.50. Turkish cuisine. Discreet & pleasant setting. Dining w. music.
- MONIAGE GUILLAUME** 88 Rue de la Tourneville, 327.09.88. Specialty: Sea food. Pleasant setting.
- PETITE CHAISE** 36 Rue Grenelle - St. Germain-des-Près, 222.13.35. Daily. Charming restaurant. Exc. menu Fr. 38 wine incl. Open August.
- ROTISSERIE DE L'ARBRE** 22 Rue Jacob, 326.33.26. Closed Sunday. Dinner-show. 30th cent. setting.

هكذا من الأصل



We've expanded upon our success

Our Vehicles

The price of success is constant effort. For this reason we have not let ourselves rest on our laurels. Instead, we've brought out a completely new model range in exceptionally little time. Today, our vehicle line includes 5 passenger cars: Polo, Derby, Golf, Passat and Scirocco. In addition, there are the Commercials and the LT line from 2.8 to 4.5 metric tons. Every one of these vehicles is an exceptional success. This sales success is not just a matter of chance. The research behind the development of the new Volkswagen generation has been more intensive and more costly than ever before. We have devised new technological means of making our vehicles more comfortable, more economical and safer. We have developed new engines, including one of the most advanced diesel engines in existence. And we have done everything possible to maintain the quality, economy and reliability that we have been known for since the Beetle's first appearance.



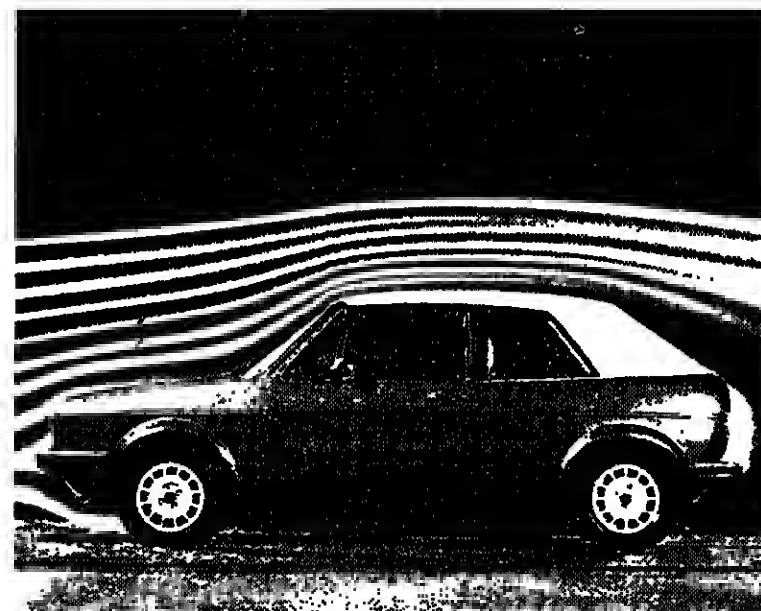
Our Sales and Service System

In order to be successful on every market, it is not enough simply to build good cars. It is just as important to have a marketing organization which is able to sell these vehicles with energy and service them with diligence. Since 1978 our marketing organization has appeared under unified name V.A.G. The Volkswagen Group marketing division directs world-wide deliveries to 152 countries via Sales Centres and Importers. These firms are in turn responsible for supplying and supporting the retail outlets in their respective regions. 10,600 dealers and workshops affiliated with the Volkswagenwerk are engaged in selling and servicing Volkswagens according to the uniform standards of the Volkswagenwerk AG. This sales system guarantees world-wide the constant and careful maintenance and repair of every vehicle sold. The result is that not just our cars are top quality. But our service as well.



Our Research Projects

Energy conservation has high priority in our research. We are seeking ways to cut down on the energy consumed above all in vehicle operation, but also in production. We are improving body aerodynamics so as to economize on petrol. Engines which run on methanol and ethanol fuels are now in their second large-scale fleet test. We have already developed diesel engines which consume roughly 30 % less fuel than petrol engines. We are progressing with our developmental work with electric vehicles. In the future, electronic systems for measurement, control, and information processing will result in even more safety, comfort, and economy in our vehicles. The calculation and design of vehicle components with the aid of computers is saving material and weight and leading to increased safety. And last but not least, we are hard at work reducing the exhaust and noise pollution emitted by our cars.



Our 1978 Financial Statements

Excerpt from the Financial Statements of the Volkswagen Group for the year 1978 (figures in million DM)

Balance Sheet December 31	1978	1977
Assets		
Property, plant, equipment and intangible assets	5,745	5,425
Investments	281	304
Adjustment items arising from initial consolidation	205	226
Inventories and advance payments to suppliers	3,477	3,180
Trade accounts receivable	800	567
Liquid funds, own stock	5,547	4,401
Miscellaneous other current assets	2,106	1,463
	18,161	15,566
Liabilities		
Capital stock of the Volkswagenwerk AG	1,200	900
Consolidated reserves, minority interest, reserves for special purposes	4,475	3,455
Old-age pensions	2,341	2,048
Other undetermined liabilities	3,109	2,111
Long-term liabilities	1,961	2,537
Other liabilities and allowance for doubtful trade acceptances and accounts	4,886	4,342
Net earnings after reserve transfers	189	173
	18,161	15,566

Statement of Earnings for the period Jan. 1 — Dec. 31	1978	1977
Sales	26,724	24,152
Increase in inventories, material, wages and overheads capitalized as additions to plant and equipment	561	351
Gross performance	27,285	24,503
Cost of materials	14,099	12,746
Labour cost	7,656	6,810
Depreciation	1,456	1,600
Taxes	1,692	1,503
Sundry expenses less sundry income	1,808	1,425
Net earnings	574	419
Volkswagenwerk AG's net earnings brought forward	2	4
Change principally in consolidated reserves	387	250
Net earnings after reserve transfers	189	173

The complete Group Financial Statements and the Financial Statements of the Volkswagenwerk AG carry the unqualified confirmation of the Statement Auditor and will be published in the Bundesanzeiger (Federal Gazette) early in July.

Declaration of Dividends — Securities Code No. 766 400 and 766 401 —

At our organization's statutory Annual Meeting of Stockholders on 4th July 1979, it was decided that per DM 50 — stock value, a dividend of DM 8 — on old shares and of DM 4.50 on new shares, in accordance with the 1978 capital increase, shall be paid for the business year 1978. Outpayment of the dividends less 25 % capital gains tax can take place immediately upon submission of the dividend coupon no. 18 to the appointed payment offices.

Payment offices in West Germany are located in Berlin, Bochum, Brunswick, Bremen, Cologne, Düsseldorf, Essen, Frankfurt (Main), Hamburg, Hanover, Munich, Münster (Westf.), Saarbrücken, Stuttgart, Wolfsburg: Dresdner Bank AG; Bank für Handel und Industrie AG; Deutsche Bank AG; Deutsche Bank Berlin AG; Commerzbank AG; Berliner Commerzbank AG; Bank für Gemeinwirtschaft AG; Bayerische Hypotheken- und Wechsel-Bank; Bayerische Landesbank Girozentrale; Bayensche Vereinsbank; Joh. Baranberg, Gosslar & Co.; Berliner Bank AG; Berliner Handels- und Frankfurter Bank; Deutsche Genossenschaftsbank; Deutsche Girozentrale — Deutsche Kommunalbank —; Hessische Landesbank — Girozentrale —; Marck, Finck & Co.; Norddeutsche Landesbank Girozentrale; Sal. Oppenheim jr. & Cie.; Trinkaus & Burkhardt; Vereins- und Westbank AG; M. M. Werburg-Brinckmann, Wirtz & Co.; Westdeutsche Landesbank Girozentrale; Westfalenbank AG; Commerz-Credit-Bank AG Europartner; Deutsche Bank Saar AG; Norddeutsche Volksbanken AG;

as well as in Austria in Vienna: Österreichische Länderbank Aktiengesellschaft; Creditanstalt-Bankverein; Girozentrale und Bank der Österreichischen Sparkassen Aktiengesellschaft; Bank für Arbeit und Wirtschaft Aktiengesellschaft; Genossenschaftliche Zentralbank Aktiengesellschaft; Schoeller & Co.;

and in Switzerland in Zürich, Basel, Geneva: Schweizerische Bankgesellschaft; Schweizerische Kreditanstalt; Schweizerischer Bankverein.

Wolfsburg, July 1979

Volkswagenwerk Aktiengesellschaft
The Board of Management

The Issue Is Terrorism

The official reception of Yasser Arafat, the avowedly terrorist leader of el-Fatah, by Bruno Kreisky, the Austrian chancellor, is disturbing for reasons unrelated to the justice of the Palestinian cause. Kreisky has given aid, comfort and even a physical embrace, to a man whose declared purpose is to destroy an existing state and whose demonstrated methods include the murder of civilians. It is surely Kreisky's privilege to express, as he has in the past, his support for the Palestinian cause, in the form of an independent state or otherwise. But by accepting Arafat as a state visitor, he has given his support to international terrorism.

Arafat's visit to Vienna narrowly missed coinciding with a conference on terrorism held in Jerusalem last week. It was sponsored by the Jonathan Institute, which honors the memory of Jonathan Netanyahu, the young Israeli commander who died during the successful Israeli raid on Entebbe Airport three years ago. Netanyahu was killed defending innocent people against the kind of terrorism Arafat represents. Kreisky is contributing to the conditions in which such terrorism can flourish. Surely the Austrian chancellor recognizes that the liberal democracies of the world have a collective responsibility to combat terrorism. He must realize, as Sen. Henry Jackson, D-Wash., told the conference, that "When one free nation is under attack, the rest must understand that democracy itself is under attack, and behave accordingly."

Paul Johnson, former editor of The New Statesman and a conference participant, argued persuasively that terrorism is "an open and declared war against civilization itself." He demonstrates terrorism's "moral justification of murder," its "rejection of politics as the normal means by which communities resolve conflicts," its active role in the spread of totalitarianism, its endangering of the in-

stitutions of freedom by exploiting them and what he calls "the deadliest sin of terrorism: It saps the will of a civilized society to defend itself." Terrorists, Johnson says, with all the force of rigorous argument and moral conviction, "are not misguided politicians. . . they are criminals."

There will, unfortunately, be many more "news pegs" for the discussion of specific cases of terrorism. It is a virulent disease that in recent years has infected the Middle East, Italy, Northern Ireland, Spain, West Germany, France and Japan, among other places. Its practitioners have been given sanctuary and training in countries ranging from Libya to North Korea. Although some terrorist organizations such as the Italian Red Brigades tend to operate at home, the true field of operation for the modern terrorist is the world. Time and again it has been shown that the various groups cooperate in killing. Aid to el-Fatah is tantamount to aiding other facets of international terrorism. Would Chancellor Kreisky have received Andreas Baader or Ulrike Meinhof? Is he prepared to declare his approval of Arafat's methods? Is there any reason not to accept Israeli Foreign Minister Moshe Dayan's official protest that Kreisky's reception of Arafat was "a demonstrative act against the state of Israel and the Jewish people?"

As a footnote, it was an especially sad spectacle to see Willy Brandt, the former West German chancellor and mayor of West Berlin, joining in the welcome of Arafat. During a recent visit to Berlin as part of a city program to invite Holocaust victims to return to the places of their youth, a Berlin-born survivor named Frederick Lachmann crystallized a relevant feeling: "I don't believe in collective guilt," he said, "but I do believe in continuing responsibility."

Somoza's Resignation

President Somoza's announced decision to resign, while welcome, leaves the crisis in Nicaragua far short of solution. He has offered his resignation not to any Nicaraguan authority and certainly not to his rivals, the Sandinistas, but to the United States. And he has conditioned it on the United States' arranging for the continued life of his personal army and his personal political organization, and for an "orderly transition" to "some kind of democratic government." It can be assumed that a man as shrewd as Anastasio Somoza understands precisely how audacious such demands are for a leader who has been repudiated by his people and who seems well on the way to being defeated in battle as well. Obviously, he counts on the U.S. distaste for the assumption of power by the "Marxist" Sandinistas to enlist U.S. diplomacy behind his flagging cause.

It is, of course, no solution for the administration to be drawn into an effort to establish what sounds suspiciously like "Somozaism without Somoza" — which is pretty much what a guarantee of the "institutionality" of the National Guard and the Liberal Party comes down to. Even if this were in accord with the Nicaraguan people's will — and there is no evidence that it is — the United States would not be in a position to enforce it on a Nicaraguan scene dominated militarily by the Sandinistas. Rather than a

final demand, Mr. Somoza's terms had best be taken at his current negotiating position. It gives U.S. diplomats the opportunity to continue the bargaining to introduce a democratic procedure that will not be the captive of the people with guns. The United States has not only its political resources but its potential health and reconstruction to put at the service of its diplomacy.

As was true earlier, however, the best course for the United States lies in working with the other democratic states of the hemisphere that have involved themselves in Nicaragua's turmoil. That is the way to diminish the suspicions of unilateral U.S. intervention. Those states, especially close ones like Costa Rica, Venezuela and Mexico, plus Panama, have an interest even stronger than the U.S. interest in seeing the Somoza regime replaced by a stable representative government. Their politics inhibit them from broadcasting the anxieties their leaders unquestionably feel about the possible coming to power in Managua of a narrowly based Marxist regime likely to orient itself toward Havana.

But those anxieties are real and they provide the United States a discreet platform on which to conduct a policy of democracy in the Americas. Those other Latin states, moreover, have leverage on the Sandinistas; they supply the Sandinista arms.

THE WASHINGTON POST.

International Opinion

Mexico Feels Oil Benefits

Mexico, like Britain, is beginning to feel very great benefits to its balance of payments as a result of oil development. . . . Looked at in strictly geographical terms, the U.S. is the obvious market for Mexico's oil and gas.

But even those who accept that there is a good case for closely supervised export trade in oil and gas have their doubts about Mexico's becoming too dependent upon the U.S. market. Mexico's giant neighbor is already too close and too influential in Mexican affairs for comfort in the view of many.

Having nationalized the oil industry in 1938 Mexicans are keen that it should be kept as free as possible of foreign influence now that its products are in such great demand on the world market. For those and other reasons, therefore, Pemex (Mexico's state oil company) has been seeking reliable buyers of oil and gas outside the U.S.

President Carter's decision to allow oil

prices in the U.S. market to rise will allow U.S. companies to offer more realistic prices for Mexican oil and gas than they have in the past.

Hitherto Mexicans have balked at accepting what they consider unrealistically low offers from the U.S., especially for their gas.

With long-term contracts clinched with other countries the Mexicans may become less disinclined to sell to the U.S.

— From the Financial Times.

Carter's Wavering Image

There must have been important, rational considerations for President Jimmy Carter to decide to cancel his speech on the international energy crisis. However, the decisions of an American president are not judged purely on rational grounds. By canceling his speech, Carter has clearly made an impression of irresolution and confirmed. . . his wavering image with the American nation.

— From De Telegraaf (Amsterdam).

In the International Edition

Seventy-Five Years Ago

July 10, 1904

ST. LOUIS — Judge Alton B. Parker of the Court of Appeals of the State of New York was nominated for the presidency of the United States at this morning by the Democratic National Convention. The convention had assembled for the nomination struggle late last night, and daylight, with the sun paling the electric lights, witnessed the close. The entire session was one of wild disorder. Tammany was hoisted by the crowd, and refused to participate. When W.R. Hearst's name was mentioned, a demonstration began that lasted for 36 minutes. Parker's first words on hearing of his nomination were: "Oh, is that so?"

Fifty Years Ago

July 10, 1929

PARIS — Dr. Frank McCoy, whose expert advice on food and health appears in 250 U.S. newspapers, was interviewed yesterday at the Hotel George V. "I see no reason to believe that we will ever have light wines with our meals in America. People work better without wine," McCoy said. "The workers probably don't think so, but the employers do. Ford does. Lots of big men do." McCoy added: "Americans are eating less now because to be prosperous people have to work, and they can't dawdle two hours a day over lunch like the French do." McCoy expressed his belief that U.S. prosperity would continue.



Carter: One Last Chance?

By Haynes Johnson

WASHINGTON — In this last summer of the 1970s, a decade marked by growing national disillusionment with the political process, Jimmy Carter has been given one last chance to save his presidency and restore some of the power and prestige of his office. Failure to seize this opportunity almost certainly will make him the fifth straight president unable to survive in office.

No president ever has been re-elected after standing as low in the polls as Carter does today. Few have faced such rapidly deteriorating political conditions. Even fewer have seen events shape a single moment where a bold presidential stroke can alter the course of affairs.

Critics say Carter already has missed his chance. By suddenly, inexplicably canceling his highly publicized national address on the overriding concern of the country, energy, at a time of rising anger, he has reinforced the public impression of his weakness and indecision. But that doesn't have to be the way this extraordinary chapter in his presidency ends.

What Carter is doing, once again in the seclusion of Maryland's Camp David, is building a drama of many parts. Whether the fashioning of this drama is accidental or Machiavellian matters not. It now has a life of its own: The longer the silence from the summit, the greater the suspense. The more people consulted in secret, in or out of government, the greater the anticipation. One way or another, there will be a final act. Carter's fate will hang upon it.

Final Act

For some time one of the president's concerns has been how best to reach the public. Amid the increasing national preoccupation with self, with the Meism of the times, the turnaway from public affairs and public questions, how does this soft-spoken, instinctively un-demagogic president persuade and move the people? In particular, how does he get Americans to alter their lives in ways that run contrary to all their experience and attitudes, to accept less not more, to believe a genuine crisis exists?

Carter will have his audience now. After the frustrations and fears engendered by the gas lines, the rising prices, the specter of recession, the sense of fundamental change ahead, he'll be listened to intently whenever he chooses to speak. And he will be examined and judged even more critically for what he has to offer when he finally comes down from the mountain.

More words and declarations about a moral equivalent of war won't work. Something akin to a wartime marshaling of the national will is required, but with specific goals established that every citizen can understand and accept.

The ironies in this are compelling. From the beginning of his presidency, Carter has warned of the impending national energy crisis. But he has been unsuccessful in getting the politicians and the public to accept his ideas and begin the long process of change.

It was spoken, but no one seemed to be listening. Then, in recent months the drumbeat of disaster news struck the public bluntly and swiftly.

Iran's collapse into bloody, uncertain revolution sent a tremor through the industrial world. At home, hysterical cries for the United States to "do something" sounded from all quarters. Even normally circumspect citizens were nervous. U.S. pride in its vaunted technology suffered a series of blows. Commercial airplanes cracked and were grounded. Nuclear plants became suspect after that ominous "bump" in the night at Three Mile Island

touched off alarms and sent radioactive clouds into the atmosphere. The largest orbital space endeavor of the United States, Skylab, began plunging toward the earth posing threats to life and limb worldwide. And then the gas lines, compounded by the latest OPEC price rise. Nothing was working.

Now the public, so critical of government in Washington and all its works (as was Carter), is looking to the capital and the president for strong action to solve the problem. For Carter to convene his advisers in an atmosphere of crisis at Camp David also has its ironies. Carter campaigned to provide the most open of presidencies, yet it's his private deliberations, carefully sealed off from the public, that have been most successful. His latest secret meeting actually is Camp David-3.

The first was in April, 1978. He then summoned the leaders of his administration, the White House and the Cabinet, for a weekend of soul-searching and self-examination. His presidency was in deep trouble, plagued by political mistakes, and a growing public perception of ineptness. In private, Carter was blunt. The U.S. public was giving them low marks, he told his people, and he could understand why. They deserved them. The U.S. people were disappointed in them, and should be. They had made

many promises, and failed to deliver them. They had promised an energy bill that first year, and had not achieved it. They had promised other reforms, and had not fulfilled them. They simply had not done as good a job as they should. It was time to straighten up, pull themselves together, and perform as they were capable.

When he privately briefed congressional leaders on that meeting, the president said: "We've had some problems that needed clarification after 15 months in office. We were green. And so I spent two days at Camp David in very intimate, frank, brutal, discussions. And we've made some progress."

Camp David-2, the celebrated days along with Anwar Sadat and Menachem Begin that led to the signing of the Israeli-Egyptian peace treaty, followed some four months later. But Camp David-3, now in progress, could be the most critical of all.

Other presidents have turned dramatic moments to their advantage — FDR with his famous "garden hose" speech giving aid to Britain before World War II and Kennedy at the missile crisis. Nixon met yet a president saved himself with "Checkers." With Carter, the least inspiring of the political figures, a speech alone won't do it.

©1979, The Washington Post.

'A Driving Force'

By Tom Wicker

CARACAS — The energy crisis, a rising rate of inflation, SALT and the Middle East have overshadowed President Carter's human rights policy to recent months. But in Latin America, where human rights and their denial are anything but abstractions, Carter's policy continues to put the United States in a more favorable light than has usually been the case.

In Panama last week, Venezuela's President Luis Herrera Campesino in his opening address to a recent international conference here, Carter's stand on human rights has given the issue "a broader perspective than at any other time in Latin American history."

Enrique Tejera Paris, formerly Venezuela's ambassador to the United States, said Carter's human rights policy had had great impact because in a "dogmatic world," the U.S. Constitution still was regarded as "the greatest of dogmas."

Aristides Calvani, once Venezuela's foreign minister and still a principal spokesman here on human rights issues, said that when Carter first declared his human rights views, many Latin Americans had leaped to the conclusion that the "end of dictatorships" was at hand.

Skeptical

Ramon J. Velasquez, director (editor) of the leading Caracas daily, El Nacional, put it the other way around. Latin America, accustomed to viewing the United States as "a new Roman Empire," had at first been skeptical of the human rights policy, he said, but now accepted it as a major development in the hemisphere.

Either way, it was clear to Americans attending the conference on human rights that the Carter policy was far more appreciated here than it has been at home. No wonder, since one fact brought out at the conference was that 70 percent of all complaints or violations received by international agencies are from Latin America. Venezuela itself, now one of the few democracies in the hemisphere, has had only 34 years of democracy in its 168 years of independence.

The conference was jointly sponsored by the Cisneros Foundation

of Venezuela and the U.S. Embassy here. Not least because of this high-level backing and the impressive roster of present and former Venezuelan officials who participated, the event received extensive coverage in television and in the Caracas newspapers. The conference was topped in the local news only by the happy coincidence of the release of William Niehaus, the U.S. businessman who had been kidnapped by guerrillas in February, 1976, and held for more than three years in an isolated hut in the interior.

Assistant Secretary of State Patricia Derian, who oversees human rights questions for the Carter administration, challenged those nations — and to do something about what she called "the new holocaust" unfolding in Southeast Asia. Countries surrounding Indochina could not have handled the flood-tide of refugees, she said, and it was up to the West not to let "a horror and a nightmare" continue.

Unresolved Questions

Three unresolved questions occupied much of the conference debate. One was the extent to which human rights violations in underdeveloped countries were an undirected consequence of the maldistribution of wealth among nations — due, that is, to "certain powers that have excessive participation in the riches of the world."

This, some conference argued, produced a "violence of protest" that in turn necessitated a "violence of repression."

A second major topic was the role of the press. Most participants strongly favored the free flow of information — "Without liberty of the press," Velasquez argued, "there can be no liberty for any segment of society." But some felt that government news agencies were necessary to give "proper balance" to news of economic, political and social developments in Third World countries not well understood in the West.

All seemed to agree, however, with Ignacio Lozano, formerly U.S. ambassador to El Salvador, now publisher of La Opinion in Los

John Dornberg From Munich:

But for better or worse,
the nomination of Strauss
... has changed West
Germany's political scene

MUNICH — Much to their chagrin, the Bavarians' moments in the history of the German tribes have been brief and unspectacular, their impact on world events either stellar nor indelible.

To be sure, Bavaria's Duke Maximilian bearded the Catholic League during the Thirty Years War, but all he got for his effort was some real estate far from home base. His grandson, Max Emanuel, contributed significantly to freezing Vienna from the Ottoman Turkish siege and gained some fame as a lusty 17th Century warrior, but in the process he sacrificed the duchy's treasury and the lives of 30,000 of its subjects.

Some 160 years later, one of his descendants, King Ludwig I, gained notoriety by having an elaborate mausoleum built for his wife, Lola Montez. And it was his grandson — Ludwig II, also known as the "Mad King" — who virtually handed the crown of empire to Prussia's Wilhelm I, an act of midwifery to the birth of modern Germany, in exchange for which he received a credit line to keep building the fairy-tale castles that are his legacy.

Track Record

That Munich was the home of what Hitler called "the movement" is something everyone here would like to forget.

Thus, it isn't exactly what you'd call an epoch-making track record. Perhaps that is why the Bavarians have now decided to foist upon West Germany's opposition Christian Democrats (CDU/CSU) one of their own as candidate for chancellor — the redoubtable Franz Josef Strauss.

Along the line of "What's good for Bavaria may not be good for the party but the country," their aim, apparently, is to also present him to the nation come 1980.

Now, he may not be what the CDU/CSU really wants or needs, much less the country, and in the 15 months or so before West German elections are due at the polls to decide much can happen.

But for better or worse, Strauss' "nomination" — if that it can be called — at the hands of the party's Bundestag caucus a week ago has changed West Germany's political scene.

"It is simply not true that I regard him as my ideal opponent," Chancellor Helmut Schmidt hastened to explain the other day, "but since it has always been Strauss who has called the signals in the CDU/CSU, at least it makes analysis more honest."

Controversy

The nation was treated to a sample of both the honesty and the signal-calling, a scant 36 hours after the "nomination" when it was Strauss, in his capacity as Bavarian prime minister and a member of the Bundestag, who took the floor

in parliament to lead off the session reply to Schmidt's motion on energy and report on the summit.

That appearance at the Bundestag was a matter of some controversy. West Germany's Bundestag certainly not one of the world's best parliaments, but in its 50 years it has established a few traditions.

One of them is that the chancellor delivers a major address it is up to the leader of the opposition in that august house to respond.

No Leader?

But, as one speaker for the Democrats (SPD) pointed out, "It appears the opposition no longer has a leader."

Through out illegal, albeit edited, Strauss, a nonmember of the Bundestag, got the floor to an ambiguity in the parliamentary house. While not a sign of times to come, it was an opening shot of West Germany's 1980 election battle.

Actually, as Bundestag's go, last week's exercise on will hardly rate as memorable. There have been a factor, besides, using little to the solution of problems, it was remarkably drum — Strauss's presence, the day notwithstanding, by afternoon there were out-benchers left addressing a tied hall.

Conclusions

Nonetheless, there were political conclusions to be drawn. One is that "Schmidt's" for all his stature as a workman and unflinching crisis manager, he is still pretty lippy chooses. That should make some electoral pyrotechnic year ahead.

Another is that Strauss, not at his mental and in best at 10:30 in the morning, has deliberately chosen to beer-drinking, shirt-sleeved, an obnoxious, in a way, project himself as a candidate who addresses the

In case of the latter, the notion intriguing West German how long can he pull it off. It has been a political act at least a couple of decades that his main aim in life was to come chancellor.

Whether he can see doubtful, for his popularity of what is called the Weiss White Sausage — Line, a river, is minimal.

For the first time, however, at least his party's sole candidate for the office. But "nomination" only after a fratricidal war and in the end, it is up to the voters unless it made him stander.

The victory may be for the unity of the party is assured. Strauss's design candidate last week set waves in North German (V) organizations and trigger signatures by two veteran. Chances are that move them.

Awesome Count

But if he does ultimately party into the 1980 elections are it will be an awesome. Though he describes it "liberal-conservative," that is — his appeal is to the political right and he will pull his party's

Schmidt's and Hans Genscher's Free Democrat same direction.

The result is likely, marked polarization of many and undoing of a has been achieved toward eye in years past.

But at any rate, Bavaria, map, and moderation, all never much of a Bavarian. ©1979, International Herald Tribune.

The International Herald Tribune letters from. Short letters have chance of being published. Letters are subject to copy for space reasons. All letters will not be published. Writers must send their letters by air with initials but prefer given to those fully signed. The writer's address. The Herald cannot acknowledge letters to the editor.

Battle Lines Taking Shape On Euromarket Controls

By Thomas Thomson
NEW YORK, July 9 (Reuters) — Lines are forming in the Euromarket over unrestricted freedom of movement for funds. The battle is being fought by top U.S. administration officials, Euro-critics and offshore banks as a potentially destabilizing influence on the economy and are pressing for restriction on their use.

U.S. bankers said that fears about this pool of funds center on three main claims: Euro-currency flows cause or increase currency instability, contribute to world inflation and involve dangerous lending risks.

Calls for controls in the United States have mainly, although not exclusively, centered on reserve requirements. The idea was mentioned by Treasury Secretary Michael Blumenthal, Federal Reserve Board Chairman William Miller and Fed. Board member Henry Wallich among others.

Two House subcommittees will hold hearings this week on a bill introduced by Rep. James Leach, R-Iowa, to require the Fed to set reserve requirements on Eurocurrency transactions of U.S. banks and encourage other countries to do the same. The bill would impose reserves over four years but only after countries representing 75 percent of all Eurocurrency deposits agreed to adopt similar requirements.

U.S. Bankers
U.S. commercial bankers, however, are almost unanimous in their opposition to reserves. Citicorp chairman Walter Wriston, for example, dismisses the three classic arguments against Euromarkets.

U.S. bankers fear that the Euro may worsen the inflationary pressure on the oil price rises, not believe that the market is vital than ever to recycle the petrodollars.

Mr. Wriston also believes that controls would increase costs to lenders and borrowers, to the disadvantage of both, and lead to unpredictable attempts to get around the rules.

Chase Manhattan Bank vice president William Ogden predicted that circumvention of controls could include the development of nonbank sources of credit.

The U.S. commercial bankers said that fears about imprudent lending fail to note that U.S. banks have had better average loan losses on foreign loans than on domestic.

Most commercial bankers in Britain agree with Bank of England governor Gordon Richardson, who expressed a prejudice against "executing the messenger." While they admit that the central bank may have a vested interest in wanting to keep London the center of the Euromarket, they said that he expressed a widely held belief that the market is blamed for problems caused elsewhere.

Among several bankers surveyed in Britain, none objected to tighter reporting requirements of their international activities, which they saw involving the consolidation of balance sheets with subsidiaries.

Switzerland caused mild surprise in banking circles last month when it appeared to become the first

country to make any concrete move toward Euromarket controls. The Swiss National Bank announced that it soon would put a rule into effect forcing Swiss banks to apply capital ratios to their consolidated balances instead of just their domestic balances.

But Swiss bankers said that in practice little will change because most Swiss banks have raised their capital in anticipation of the rule coming into force.

Swiss commercial bankers in any case hope that the idea of controls will largely talk itself into oblivion. They do not see a need for restrictions nor do they consider those envisaged to be effective or of any great value to the world economy.

Swiss National Bank president Fritz Leutwiler, in talks with other central bankers, has been one of the main opponents of controls.

West Germany
West German authorities have shown interest in improved Euromarket control. Chancellor Helmut Schmidt said last month that he agreed with Fed proposals to force banks to keep a certain amount of Euro-currency as a reserve when they make loans.

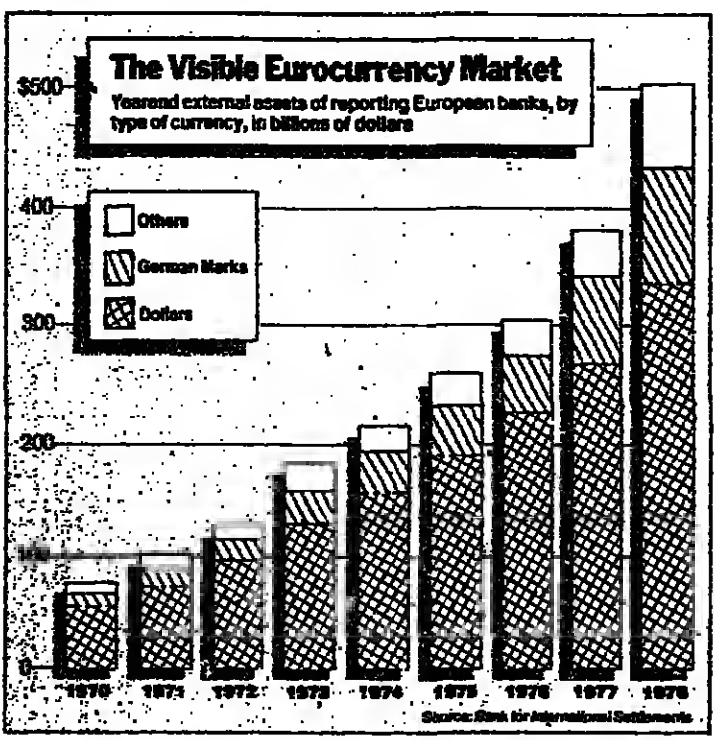
But West German commercial bankers surveyed said that they remained firmly opposed to any control over international lending.

Bankers in Belgium and Luxembourg generally argue against controls. Although they accept the notion of greater market transparency, they note that controls are unlikely to work unless imposed worldwide.

Kreditbank financial executive Edward Thielemans said that controls would probably force up the cost of corporate borrowing. This could lead borrowers to return to domestic markets, and a crowding-out effect could drive up national interest rates.

Luxembourg authorities several times have expressed their opposition to controls beyond prudent monitoring and informal guidance.

French bankers went along with the majority to opposing controls as undesirable in theory and unworkable in practice. Senior bank-



country to make any concrete move toward Euromarket controls. The Swiss National Bank announced that it soon would put a rule into effect forcing Swiss banks to apply capital ratios to their consolidated balances instead of just their domestic balances.

ing sources said that the Bank of France is believed to be generally in favor of continuing studies to determine the true macroeconomic effect of expanding Eurocurrency lending, and is also in favor of tighter prudential controls.

Solvency Control

Dutch commercial bankers say that the adoption by other countries of the prudent international lending controls in use in the Netherlands could make a useful contribution to talks on controls. The Dutch central bank said that it already exercised prudent solvency control on a consolidated basis and that the Dutch experience with consolidation was satisfactory.

NYSE Up in Heavy Trade

NEW YORK, July 9 (Reuters) — New York Stock Exchange prices advanced broadly today to heavy trading amid investor hopes new ways will be found to pull the nation out of its energy predicament.

Volume swelled to 42.46 million shares, the heaviest since June 12. The Dow Jones industrial average gained 6.83 to 852.99 and advances led declines 987 to 501.

Analysts noted a rise in large block trades, suggesting increased participation by cash-laden institutional investors.

Energy issues were again at the forefront of the advance. Partners in Aramco moved higher, as did active, Occidental Petroleum, which has a major position in oil-shale projects.

Combustion Engineering, seen as a way of participating in synthetic fuels projects, jumped 3 1/2 to 52 1/2. Active R.L. Burns, an oil and gas exploration company, rose 1/2 to 7 1/2.

Charter Co., which settled disputes with Iran that had jeopardized crude supplies to its Bahamian refinery, jumped four.

After the market closed, Tenneco said its first exploratory well in the southeast Georgia embankment in the Atlantic Ocean was a dry hole.

Dei E. Webb announced plans to manage an Atlantic City hotel/casino and eased 1/2 but active Caesar's World and Bally Manufacturing both rose.

General Electric, which received a \$220-million Saudi contract for gas turbines, rose.

General Mills, which reported higher fiscal fourth quarter net and said it expects record sales and earnings in the coming year, added 1/2 to 24 1/2.

In other news, Fidelity Union Life Insurance said Allianz Versicherungs' board approved in principle the previously announced plan to purchase Fidelity Union for about \$370 million, or at least \$72.50.

Algerman Foods said it has tentatively agreed to sell its assets and business, except its real estate, to a U.S. subsidiary of Delhaize "Le Lion," of Belgium, for about \$34.7 million or \$25.43 a share.

Cummins Engine said it has

received approval from the Mexican government to participate in a joint venture with the state-owned Diesel Nacional de Mexico to produce Cummins engines larger than 150 horsepower in Mexico.

McCulloch Oil has agreed to buy the 49-percent stake of Lorco B. Pratt, president of Pratt Properties, Inc., thus increasing McCulloch's ownership of the real estate holding company to 100 percent. Pratt will continue to be managed for McCulloch by Victor Palmieri & Co.

American Stock Exchange prices also rose sharply with the index up 1.24 to 201.71.

News and Notes

Merrill Lynch found that a record 44.5 percent of 135 institutional clients surveyed were keeping 15 percent or more of their assets in liquid form. The number with low cash reserves — 10 percent or less of assets — was at its lowest level (38) since the quarterly surveys began in 1976, said Hans Schueren of the firm's market analysis unit. On average, cash reserves were 15.6 percent of assets, slightly below the 16.6 percent reported last March. The numbers bear out the continuing caution of large investors toward the market but also suggest a willingness at some point to buy stocks. "Among the institutions responding, 47.4 percent said they intend to increase equity holdings while only 7.4 percent indicated they plan to decrease holdings," Mr. Schueren said.

lion, the Society of Motor Manufacturers and Traders reports. Imports in June took 56 percent of the market against 48.3 percent a year ago and 56.7 percent in May. Imports for the six months stood at 55.4 percent against 47 percent in the 1978 period.

Siemens expects a return on turnover of between 2.2 and 2.5 percent. Managing Board Chairman Bernhard Plettner says, adding its power-station unit, Kraftwerk Union, will fall short of breaking even in the current business year ending Sept. 30 by "a very slight amount." Siemens expects sales of 27 billion Deutsche marks in the year ending Sept. 30, up 5 percent from the previous year without K.W.U. Siemens also has agreed in principle to acquire the assets and business of Microwave Semiconductor Corp. for \$14 a share cash and an assumption of liabilities in a transaction valued at \$25 million.

Exxon's third exploratory well in the Baltimore Canyon off New Jersey is a dry hole and will be abandoned, the company says. The company also announced plans for drilling a fourth test. Located about 95 miles east of Atlantic City, the third well reached a depth of 16,800 feet. The previous two wells were dry.

Syria reportedly has placed orders with French firms totaling \$440 million for telecommunications and oil equipment. The orders reportedly include the supply by the French engineering firm Entrepote of equipment for the retrieval of petroleum gas and condensates.

British automobile sales in June were up 51 percent from last year at slightly more than 200,000. Sales for the first half were up 18.6 percent at a record 1.03 mil-

ARGENTINE REPUBLIC
EXTERNAL US\$ BONDS
THE WESTON GROUP

makes a market in all series

Enquiries to:
8002 ZURICH Stockstr. 10.
Tel.: 5311. Telex: 2011358.
10036 NEW YORK CITY.
500 Fifth Ave.
Telex: WU 620 783. T.: 7301250.

Saudi Confirm Output to Rise

From Agency Dispatches
NEW YORK, July 9 — The chief Saudi Arabia's state-owned oil company confirmed yesterday that it will boost petroleum production, but he declined to indicate the Middle East. Survey reported, however, Saudi Arabia had increased its oil production by 1 million barrels a day three months beginning July.

ul Hadi Taher, the governor, said, "We are sure how to announce increase" and added that the increase was temporary.

ident Carter told congressmen today that he had a personal commitment to Saudi Arabia Crown Prince to increase substantially oil production for a significant period of time, the House said.

a meeting at Camp David, labeled as a "domestic" on inflation and energy. Speaker Thomas O'Neill at Saudi Arabia probably increase its production by 1 million barrels a day.

vast southern desert known as the Empty Quarter.

"We haven't yet confirmed the size but we are very excited," he said. "It looks like a significant find but we are still drilling." He said that he hesitated to estimate the size of the discovery but that it was under 700,000 barrels a day.

In Nicosia, MEES reported that, according to sources, Saudi Arabia had increased its production 1 million barrels a day beginning July 1. The publication said that the extra production will be marketed through Arabian-American Oil Co., which accounts for the bulk of Saudi production, and its four U.S.

shareholders — Exxon, Texaco, Mobil and Standard Oil of California.

During the first quarter, when Saudi Arabia increased production 1 million barrels a day to 9.5 million barrels to make up for lost Iranian output, the Aramco participants got \$60,000 barrels a day of extra oil and Petrotrin received the rest, the publication said.

The Saudi government has not decided its production level for the fourth quarter, "but the situation will be reviewed in the light of market and price conditions when the time comes," MEES quoted a source as saying.

Dollar Rises as Dealers See Policy Changes; Gold Falls

that, if authorities keep interest rates low, there will not be much hope of avoiding an economic slump.

The dollar finished at 1.8413 Deutsche marks, up from 1.8360 late Friday. It also rose to 1.667 Swiss francs from 1.6545.

The Swiss National Bank disclosed that it had sold more than 1 billion francs last week to keep the dollar from declining too sharply.

The dollar rose against the yen to 217.40 from 217.25. Dealers said that the gain probably would have been larger if Japanese banks had not sold a considerable amount of sterling and converted the proceeds into yen. The dollar moved up to 4.2825 French francs from 4.2630 while gaining against the Benelux currencies and the lira.

Sterling finished at \$2.2015, down from 2.2218 Friday and an interim peak last week of about \$2.2520.

Gold late today was at \$288.00-288.40 an ounce, bid and asked, down from \$289.00-\$289.50 late Friday. It fell to after-hours dealings to \$287.75-\$288.25. The metal had opened higher and was fixed during the morning at \$290.25. But the gradual decline began, and it was fixed during the afternoon at \$287.85.

In Portland, Ore., an investment adviser with a solid record in calling turns in the gold market is advising clients to sell while the market is strong. "It's a timing move," Lawrence Heim said. "We may be wrong, but we think a fall is coming that will send the price of bullion down by a minimum of 10 percent."

But Sharps Pixley, a London firm, expects the price of gold on the London market to level out around \$290 an ounce although the market will remain basically speculative in the light of the oil crisis.

In Washington, Treasury sources said that U.S. imports of Soviet-origin gold rose to 216,000 ounces in May from a total of 31,000 ounces in the first four months of the year. They said that this could be an indication of increased Soviet bullion sales to help finance imports of U.S. grain.

same reasons), up 19.8 percent to 137.7; and Singapore (where plantation shares have been strong performers), up 11.6 percent to 431.7.

Losers
Reflecting strength in the dollar, West Germany was at the bottom as local interest rates and inflation rose. Its index fell 12.7 percent to 170.4. Japan was second to last, falling 9.3 percent to 393.8 in June.

France's index, which soared last year amid post-election euphoria, finished a notch behind the United States, rising 5.8 percent to 136.2. Hong Kong, which captured first place in January-June of 1978, this year came in No. 8 on a local currency basis, rising 9.5 percent to 341.2, and No. 13 to dollar terms, rising 3.1 percent to 372.0.

Other first-half performances (base Jan. 1, 1970), in local currencies, included:

Norway, up 89.3 percent to 186.0; Canada, up 25.9 percent to 180.3; United Kingdom, up 12.5 percent to 152.4; Singapore, up 12.1 percent to 305.1; the Netherlands, up 10.8 percent to 86.4; Italy, up 9.7 percent to 53.5; Belgium, up 9.7 percent to 112.5; France, up 8.8 percent to 105.8; Australia, up 8.8 percent to 74.4; Switzerland, up 7.1 percent to 93.1; Spain, up 4 percent to 61.1; the world, up 3.8 percent to 111.1; Denmark, up 3.5 percent to 133.3; Japan, up 1.6 percent to 237.9; Austria, up 0.8 percent to 125.4; Sweden, down 6 percent to 97.8; West Germany, down 11.3 to 86.0.

In U.S. dollar terms (base Jan. 1, 1970), other performances included:

Spain, up 10 percent to 64.8; Italy, up 9.2 percent to 40.1; the Netherlands, up 7.7 percent to 154.0; Australia, up 5 percent to 74.5; Switzerland, up 4.4 percent to 240.4; the world, up 4 percent to 127.2; Belgium, up 3.5 percent to 181.3; Denmark, down 0.7 percent to 188.3; Austria, down 1.1 percent to 239.7; Sweden, down 5.7 percent to 118.2.

Tehran Pledges To Honor Debts Of Bank System

TEHRAN, July 9 (Reuters) — The governor of the Central Bank of Iran, Mohammed Ali Mowlavi, said today that the estimated \$1 billion in foreign debts of the nationalized banking system will be honored.

Last May, Mr. Mowlavi said that the bank would not help foreign creditors to recover loans from one or two Iranian private banks that were in financial difficulties and would not prevent default if Iranian banks received loans from foreign banks without CBI permission.

The CBI governor said that the government was studying the shareholding of foreign banks in the nationalized banking system and promised that the "legitimate rights of foreign investors" would be taken into account when compensation was paid.

He also said that he hoped that the government would cut the link between the rial and the U.S. dollar next month. He declined to explain the purpose of the break or its possible consequences, but banking sources have said that the break would involve a change in the international value of the rial, fixed at 70.35 to the dollar since December, 1977.

Trway, Mexico Stock Marts Led Leaders in First Half

NEW YORK, July 9 (AP-DJ) — Stock markets in Norway and Mexico were leaders in performance, U.S. dollar terms, in the months of this year, while many and Japan were at the bottom of a scale of 18 stock

International of Geneva stock market trends on 18 stocks, both in local currencies listed for foreign-exchange purposes relative to the U.S. Eleven exchanges outperformed the United States on a local basis, while seven fared in dollar terms. Capital International's U.S. index, Jan. 1, 1970, rose 5.9 percent to 102.2.

The roster of winners in the first half was Norway's stocks, percent to 260.4. The rise led by Norsk Hydro. Merck Capital International followed apparently was to close, with a gain of 49.7 percent in the first half. At its peak, Mexico was up 102 percent on Capital International's list of winners to dollar re Canada (fueled by oil election of a conservative), up 27.9 percent to 101; United Kingdom (for the

Company Reports

Profits in Millions unless otherwise indicated

Company	1978	1977
General Mills	896.90	807.00
30.30	22.00	
0.60	0.44	
3.700	3.200	
147.00	135.80	
2.92	2.58	

FOR SALE IN FRANCE, NEAR PARIS

OFFSET PRINTING SHOP

Incorporated in France (S.A.)
Annual turnover 7.5 million French francs.
Very high proven profitability.
Price : 3.5 million francs.

Contact: C.E.A. CONCEPT
26, rue Henri-Barbussé
94110 ARCUEIL - FRANCE

RAS

RIUNIONE ADRIATICA DI SICURTA'
MILAN - ITALY

The 140th Annual Report and Accounts of Riunione Adriatica di Sicurtà were adopted at the Company's Annual General Meeting held on 28th June 1979. In the year ended 31st December 1978 the Company achieved significant growth, with premium income in Italy and other countries rising by 11.5% to over 369 billion lire (\$ 446 m.), while technical reserves increased by 15% and an aggregate underwriting surplus was earned in the various lines transacted.

In Italy, appreciable progress was recorded in the Fire, Marine, Hail and Bond Indemnity Accounts. On the other hand, there was some decline in the Life Branch in Italy, this being more than outweighed by pronounced growth of life business abroad. There was also considerable growth in general insurance outside Italy.

RAS is the Parent Company of one of Europe's leading insurance groups, comprising 35 companies operating in 34 countries. The aggregate premium income for the entire Group exceeded 1,368 billion lire (\$ 1,649 m.) in 1978, representing an advance of 15.8% over the previous year.

The profit for the year has enabled the Directors to recommend payment of a dividend of Lit. 1,000 per share. In addition, the Annual General Meeting approved a proposal for a distribution on a scrip basis of one share of the affiliated Company L'Assicuratrice Italiana for every 25 RAS shares held.

The dividend will be payable, and the scrip shares allotted, as from 19th July 1979.

HIGHLIGHTS OF ACCOUNTS
RAS ONLY, DOMESTIC AND FOREIGN BRANCH OFFICES (in US dollars)

	1978
Premium Income	445,810,830
Investment Income	47,266,658
Claims, Maturities and other Benefits paid	222,060,635
Insurance Reserves, Non-Life Branch	286,576,572
Insurance Reserves, Life Branch	545,120,988
Life Sums assured	4,559,400,017
Share Capital	23,139,500
General Reserves	78,675,958
Profit for the year	2,742,405

PREMIUM INCOME OF THE RAS GROUP (ITALY AND ABROAD)
US \$ (millions)

Year	Premium Income
1974	1,000
1975	1,100
1976	1,200
1977	1,300
1978	1,400

SALES OF THE RAS GROUP
Premium income breakdown in 1978 (in US \$)

Category	Amount
RAS and L'ASSICURATRICE ITALIANA (in Italy and abroad)	814,797,042
Other Italian Group Companies	110,970,089
Foreign Group Companies	723,608,271
Total premiums	1,649,375,402

RAS Group, Life Business
Total Sums assured : \$ 7,987,795,487

WEDNESDAY, JULY 10, 1974										
12 Month			5%.		Class		Close		C/P	
High	Low	Yld.	P/E	High	Low	Quot.	Prev	Quot.	Prev	Quot.
22 1/2	22 1/4	10 1/2	15	22 1/2	22 1/4	10 1/2	15	22 1/2	22 1/4	10 1/2
12 1/2	12 1/4	10 1/2	15	12 1/2	12 1/4	10 1/2	15	12 1/2	12 1/4	10 1/2
10 1/2	10 1/4	10 1/2	15	10 1/2	10 1/4	10 1/2	15	10 1/2	10 1/4	10 1/2
8 1/2	8 1/4	10 1/2	15	8 1/2	8 1/4	10 1/2	15	8 1/2	8 1/4	10 1/2
6 1/2	6 1/4	10 1/2	15	6 1/2	6 1/4	10 1/2	15	6 1/2	6 1/4	10 1/2
4 1/2	4 1/4	10 1/2	15	4 1/2	4 1/4	10 1/2	15	4 1/2	4 1/4	10 1/2
2 1/2	2 1/4	10 1/2	15	2 1/2	2 1/4	10 1/2	15	2 1/2	2 1/4	10 1/2
1 1/2	1 1/4	10 1/2	15	1 1/2	1 1/4	10 1/2	15	1 1/2	1 1/4	10 1/2
1/2	1/4	10 1/2	15	1/2	1/4	10 1/2	15	1/2	1/4	10 1/2
1/4	1/8	10 1/2	15	1/4	1/8	10 1/2	15	1/4	1/8	10 1/2
1/8	1/16	10 1/2	15	1/8	1/16	10 1/2	15	1/8	1/16	10 1/2
1/16	1/32	10 1/2	15	1/16	1/32	10 1/2	15	1/16	1/32	10 1/2
1/32	1/64	10 1/2	15	1/32	1/64	10 1/2	15	1/32	1/64	10 1/2
1/64	1/128	10 1/2	15	1/64	1/128	10 1/2	15	1/64	1/128	10 1/2
1/128	1/256	10 1/2	15	1/128	1/256	10 1/2	15	1/128	1/256	10 1/2
1/256	1/512	10 1/2	15	1/256	1/512	10 1/2	15	1/256	1/512	10 1/2
1/512	1/1024	10 1/2	15	1/512	1/1024	10 1/2	15	1/512	1/1024	10 1/2
1/1024	1/2048	10 1/2	15	1/1024	1/2048	10 1/2	15	1/1024	1/2048	10 1/2
1/2048	1/4096	10 1/2	15	1/2048	1/4096	10 1/2	15	1/2048	1/4096	10 1/2
1/4096	1/8192	10 1/2	15	1/4096	1/8192	10 1/2	15	1/4096	1/8192	10 1/2
1/8192	1/16384	10 1/2	15	1/8192	1/16384	10 1/2	15	1/8192	1/16384	10 1/2
1/16384	1/32768	10 1/2	15	1/16384	1/32768	10 1/2	15	1/16384	1/32768	10 1/2
1/32768	1/65536	10 1/2	15	1/32768	1/65536	10 1/2	15	1/32768	1/65536	10 1/2
1/65536	1/131072	10 1/2	15	1/65536	1/131072	10 1/2	15	1/65536	1/131072	10 1/2
1/131072	1/262144	10 1/2	15	1/131072	1/262144	10 1/2	15	1/131072	1/262144	10 1/2
1/262144	1/524288	10 1/2	15	1/262144	1/524288	10 1/2	15	1/262144	1/524288	10 1/2
1/524288	1/1048576	10 1/2	15	1/524288	1/1048576	10 1/2	15	1/524288	1/1048576	10 1/2
1/1048576	1/2097152	10 1/2	15	1/1048576	1/2097152	10 1/2	15	1/1048576	1/2097152	10 1/2
1/2097152	1/4194304	10 1/2	15	1/2097152	1/4194304	10 1/2	15	1/2097152	1/4194304	10 1/2
1/4194304	1/8388608	10 1/2	15	1/4194304	1/8388608	10 1/2	15	1/4194304	1/8388608	

America's leading producer of cement and allied products. For more information about this thriving corporation, write: Lone Star Industries, Inc., Dept. 3, One Greenwich, Greenwich, CT 06830

[illegible]

روى في الأصل

هكذا من الاعمال

[illegible]

the 1990s, the number of people in the United States who are 65 years of age or older is projected to increase from 20 million to 35 million, and the number of people 75 years of age or older is projected to increase from 10 million to 15 million (U.S. Census Bureau, 1996). The number of people 85 years of age or older is projected to increase from 2 million to 4 million (U.S. Census Bureau, 1996). The number of people 90 years of age or older is projected to increase from 500,000 to 1 million (U.S. Census Bureau, 1996). The number of people 95 years of age or older is projected to increase from 100,000 to 200,000 (U.S. Census Bureau, 1996). The number of people 100 years of age or older is projected to increase from 10,000 to 20,000 (U.S. Census Bureau, 1996).

[illegible]

